

# **FB 2000-2002 COMMONWEALTH BUDGET FINAL BUDGET MEMORANDUM**

## **VOLUME V**

**Legislative Research Commission**

**JUNE 7, 2000**

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**FB 2000-2002 COMMONWEALTH BUDGET**  
**FINAL BUDGET MEMORANDUM**  
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**FB 2000-2002 COMMONWEALTH BUDGET  
FINAL BUDGET MEMORANDUM**

**REVENUE**

**JUNE 7, 2000**

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**FB 2000-2002 FINAL BUDGET MEMORANDUM  
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY  
GENERAL FUND BY BUDGET UNIT**

**Cabinet/Function: Revenue**

	FY 2000-2001				FY 2001-2002		
	FY 1999-2000 Budget	Branch	General Assembly	Difference	Branch	General Assembly	Difference
Revenue Cabinet	60,236,900	64,143,700	63,789,700	(354,000)	67,742,400	67,177,200	(565,200)
Property Valuation Administrators	22,972,500	25,146,200	25,048,200	(98,000)	26,254,400	26,368,800	114,400
<b>Operating Budget Total</b>	<b>83,209,400</b>	<b>89,289,900</b>	<b>88,837,900</b>	<b>(452,000)</b>	<b>93,996,800</b>	<b>93,546,000</b>	<b>(450,800)</b>

*Note: FY 1999-2000 Budget includes any supplemental appropriations, as provided by the 2000 General Assembly.*

**FB 2000-2002 FINAL BUDGET MEMORANDUM  
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY  
RESTRICTED FUNDS BY BUDGET UNIT**

**Cabinet/Function: Revenue**

	FY 2000-2001			FY 2001-2002		
	FY 1999-2000 Budget	Branch	General Assembly	Difference	Branch	General Assembly
Revenue Cabinet	2,722,000	3,800,000	3,800,000		3,581,500	3,581,500
Property Valuation Administrators	2,549,500	3,240,500	3,240,500		3,271,900	3,271,900
<b>Operating Budget Total</b>	<b>5,271,500</b>	<b>7,040,500</b>	<b>7,040,500</b>		<b>6,853,400</b>	<b>6,853,400</b>



**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**  
**FEDERAL FUNDS BY BUDGET UNIT**

**Cabinet/Function: Revenue**

	FY 2000-2001			FY 2001-2002		
	FY 1999-2000 Budget	Branch	General Assembly Difference	Branch	General Assembly Difference	
Revenue Cabinet	40,000					

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**  
**ROAD FUND BY BUDGET UNIT**

**Cabinet/Function: Revenue**

	<b>FY 1999-2000 Budget</b>	<b>FY 2000-2001</b>			<b>FY 2001-2002</b>		
		<b>Branch</b>	<b>General Assembly</b>	<b>Difference</b>	<b>Branch</b>	<b>General Assembly</b>	<b>Difference</b>
Revenue Cabinet	1,352,000	1,385,000	1,385,000		1,418,000	1,418,000	

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**  
**TOTAL FUNDS BY BUDGET UNIT**

**Cabinet/Function: Revenue**

	FY 2000-2001			FY 2001-2002		
	FY 1999-2000 Budget	Branch	General Assembly	Difference	Branch	General Assembly
Revenue Cabinet	64,350,900	69,328,700	68,974,700	(354,000)	72,741,900	72,176,700
Property Valuation Administrators	25,522,000	28,386,700	28,288,700	(98,000)	29,526,300	29,640,700
<b>Operating Budget Total</b>	<b>89,872,900</b>	<b>97,715,400</b>	<b>97,263,400</b>	<b>(452,000)</b>	<b>102,268,200</b>	<b>101,817,400</b>

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**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch

Agency: Summary

Cabinet/Function: Revenue

Appropriation Unit:

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	83,209,400	83,209,400		89,289,900	88,837,900	(452,000)	93,996,800	93,546,000	(450,800)
Restricted Funds	5,271,500	5,271,500		7,040,500	7,040,500		6,853,400	6,853,400	
Federal Funds	40,000	40,000							
Road Fund	1,352,000	1,352,000		1,385,000	1,385,000		1,418,000	1,418,000	
<b>Regular Total Funds</b>	<b>89,872,900</b>	<b>89,872,900</b>		<b>97,715,400</b>	<b>97,263,400</b>	<b>(452,000)</b>	<b>102,268,200</b>	<b>101,817,400</b>	<b>(450,800)</b>
General Fund Continuing									
<b>GRAND TOTAL FUNDS</b>	<b>89,872,900</b>	<b>89,872,900</b>		<b>97,715,400</b>	<b>97,263,400</b>	<b>(452,000)</b>	<b>102,268,200</b>	<b>101,817,400</b>	<b>(450,800)</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	68,777,800	68,777,800		74,018,200	73,566,200	(452,000)	77,428,200	76,977,400	(450,800)
Operating Expenses	21,095,100	21,095,100		23,697,200	23,697,200		24,840,000	24,840,000	
<b>TOTAL EXPENDITURES</b>	<b>89,872,900</b>	<b>89,872,900</b>		<b>97,715,400</b>	<b>97,263,400</b>	<b>(452,000)</b>	<b>102,268,200</b>	<b>101,817,400</b>	<b>(450,800)</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	83,209,400	83,209,400		84,622,000	84,622,000		88,261,300	88,261,300	
Restricted Funds	5,271,500	5,271,500		6,290,700	6,364,900	74,200	6,053,400	6,053,400	
Federal Funds	40,000	40,000							
Road Fund	1,352,000	1,352,000		1,385,000	1,385,000		1,418,000	1,418,000	
<b>Regular Total Funds</b>	<b>89,872,900</b>	<b>89,872,900</b>		<b>92,297,700</b>	<b>92,371,900</b>	<b>74,200</b>	<b>95,732,700</b>	<b>95,732,700</b>	
General Fund Continuing									
<b>TOTAL BASE LEVEL</b>	<b>89,872,900</b>	<b>89,872,900</b>		<b>92,297,700</b>	<b>92,371,900</b>	<b>74,200</b>	<b>95,732,700</b>	<b>95,732,700</b>	
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				4,667,900	4,215,900	(452,000)	5,735,500	5,284,700	(450,800)
Restricted Funds				749,800	675,600	(74,200)	800,000	800,000	
<b>TOTAL ADDITIONAL</b>				<b>5,417,700</b>	<b>4,891,500</b>	<b>(526,200)</b>	<b>6,535,500</b>	<b>6,084,700</b>	<b>(450,800)</b>

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**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch

**Agency:** Revenue Cabinet

**Cabinet/Function:** Revenue

**Appropriation Unit:** Revenue Cabinet

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	60,236,900	60,236,900		64,143,700	63,789,700	(354,000)	67,742,400	67,177,200	(565,200)
Restricted Funds	2,722,000	2,722,000		3,800,000	3,800,000		3,581,500	3,581,500	
Federal Funds	40,000	40,000							
Road Fund	1,352,000	1,352,000		1,385,000	1,385,000		1,418,000	1,418,000	
<b>Regular Total Funds</b>	<b>64,350,900</b>	<b>64,350,900</b>		<b>69,328,700</b>	<b>68,974,700</b>	<b>(354,000)</b>	<b>72,741,900</b>	<b>72,176,700</b>	<b>(565,200)</b>
General Fund Continuing									
<b>GRAND TOTAL FUNDS</b>	<b>64,350,900</b>	<b>64,350,900</b>		<b>69,328,700</b>	<b>68,974,700</b>	<b>(354,000)</b>	<b>72,741,900</b>	<b>72,176,700</b>	<b>(565,200)</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	43,717,800	43,717,800		46,093,500	45,739,500	(354,000)	48,363,900	47,798,700	(565,200)
Operating Expenses	20,633,100	20,633,100		23,235,200	23,235,200		24,378,000	24,378,000	
<b>TOTAL EXPENDITURES</b>	<b>64,350,900</b>	<b>64,350,900</b>		<b>69,328,700</b>	<b>68,974,700</b>	<b>(354,000)</b>	<b>72,741,900</b>	<b>72,176,700</b>	<b>(565,200)</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	60,236,900	60,236,900		61,189,700	61,189,700		63,477,200	63,477,200	
Restricted Funds	2,722,000	2,722,000		3,050,200	3,124,400	74,200	2,781,500	2,781,500	
Federal Funds	40,000	40,000							
Road Fund	1,352,000	1,352,000		1,385,000	1,385,000		1,418,000	1,418,000	
<b>Regular Total Funds</b>	<b>64,350,900</b>	<b>64,350,900</b>		<b>65,624,900</b>	<b>65,699,100</b>	<b>74,200</b>	<b>67,676,700</b>	<b>67,676,700</b>	
General Fund Continuing									
<b>TOTAL BASE LEVEL</b>	<b>64,350,900</b>	<b>64,350,900</b>		<b>65,624,900</b>	<b>65,699,100</b>	<b>74,200</b>	<b>67,676,700</b>	<b>67,676,700</b>	
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				2,954,000	2,600,000	(354,000)	4,265,200	3,700,000	(565,200)
Restricted Funds				749,800	675,600	(74,200)	800,000	800,000	
<b>TOTAL ADDITIONAL</b>				<b>3,703,800</b>	<b>3,275,600</b>	<b>(428,200)</b>	<b>5,065,200</b>	<b>4,500,000</b>	<b>(565,200)</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 EXPAN</b>	<b>EMPOWER KY (Integrated Tax Entity System/Master Taxpayer Index)</b>								
(C30RS0X04)	Provide funds for computer services and computer maintenance relating to the development of the KY Integrated Tax Entity System/Master Taxpayer Index.								
<b>General Fund</b>				2,600,000	2,600,000		3,700,000	3,700,000	
<b>Total</b>				<b>2,600,000</b>	<b>2,600,000</b>		<b>3,700,000</b>	<b>3,700,000</b>	
<b>2 NEW</b>	<b>Enterprise-wide Processing - Operating Costs</b>								
(C30RT0X01)	Provide funds to support operating costs to establish a modernized front-end processing system for unemployment insurance claims and forms which will be supported by funds received from the Workforce Development Cabinet.								

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch

**Agency:** Revenue Cabinet

**Cabinet/Function:** Revenue

**Appropriation Unit:** Revenue Cabinet

		FY 1999-2000			FY 2000-2001			FY 2001-2002		
		Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>V. ADDITIONAL BUDGET ITEMS</b>										
<b>2 NEW</b>	<b>Enterprise-wide Processing - Operating Costs</b>									
(C30RT0X01)	Provide funds to support operating costs to establish a modernized front-end processing system for unemployment insurance claims and forms which will be supported by funds received from the Workforce Development Cabinet.									
<b>Restricted Funds</b>					400,000	400,000		400,000	400,000	
<b>Total</b>					<b>400,000</b>	<b>400,000</b>		<b>400,000</b>	<b>400,000</b>	
<b>3 NEW</b>	<b>Wage Equity Plan</b>									
(C30RS0X02)	Support salary improvement.									
<b>General Fund</b>					354,000		(354,000)	565,200		(565,200)
<b>Restricted Funds</b>					349,800	275,600	(74,200)	400,000	400,000	
<b>Total</b>					<b>703,800</b>	<b>275,600</b>	<b>(428,200)</b>	<b>965,200</b>	<b>400,000</b>	<b>(565,200)</b>
<b>TOTAL ADDITIONAL</b>					<b>3,703,800</b>	<b>3,275,600</b>	<b>(428,200)</b>	<b>5,065,200</b>	<b>4,500,000</b>	<b>(565,200)</b>



## **FB 2000-2002 BUDGET MODIFICATION REPORT**

### **Revenue Cabinet**

#### **BRANCH BUDGET**

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

Additional General Fund dollars of \$2,600,000 in FY 2000-2001 and \$3,700,000 in FY 2001-2002 are provided for support of the Simplified Revenue Systems/Empower Kentucky initiative.

Additional Restricted Funds of \$400,000 each year of the biennium are provided for the Enterprise-wide Processing initiative.

The Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct, notwithstanding KRS 136.392, the insurance surcharge rate shall be calculated at a rate to provide sufficient funds in the 2000-2002 fiscal biennium for the Firefighters Foundation Program Fund and the Kentucky Law Enforcement Foundation Program Fund, including the administration of training programs, pay supplements prescribed by statute, and debt service for the respective program funds specified in KRS 15.410 to 15.510, KRS 42.190, KRS 95A.220, and KRS 95A.262 in fiscal year 2000-2001 and fiscal year 2001-2002. The calculation of sufficient funds for the above-named programs shall include any Restricted Funds carried forward from fiscal years 1999-2000 and 2000-2000 provided by the General Assembly in this Act.

Notwithstanding the provisions of KRS 134.400, the administration of the Delinquent Tax Fund is in the Department of Property Valuation. Proceeds shall be deposited to this account except that the first \$100,000 shall be deposited exclusively to the General Fund. Also included in the Revenue Cabinet's Restricted Funds appropriation is \$90,000 in fiscal year 2000-2001 and \$290,000 in fiscal year 2001-2002 from the accumulated balance in the Delinquent Tax Fund account for the administrative activities of the Revenue Cabinet.

The Branch Budget Bill, Part I, Operating Budget, includes a language provisions that states, Road Fund moneys are appropriated for the cost of the Road Fund Compliance and Motor Vehicle Property Tax programs within the Revenue Cabinet and are to be used exclusively for that purpose.

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional funding support totaling \$354,000 in FY 2000-2001 and \$565,200 in FY 2001-2002 (General Fund) and \$349,800 in FY 2000-2001 and \$400,000 in FY 2001-2002 (Restricted Funds) is budgeted to provide a guaranteed COLA salary adjustment for each employee on July 1 each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increase in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

Funding support from reduced employer retirement contributions and vacancy credits is included in the Base Level Budget to support increased costs of existing operations.

The Branch Budget Bill in Part II, Capital Projects Budget, provides Capital Construction Surplus dollars totaling \$200,000 in FY 2000-2001 for network infrastructure replacement and authorizes leases (3) of real property in Franklin County, each with a cost that exceeds \$200,000 per year.

## **FB 2000-2002 BUDGET MODIFICATION REPORT**

### **Revenue Cabinet**

#### **GENERAL ASSEMBLY**

The General Assembly concurs with the Branch Budget with the following changes:

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, Restricted Funds dollars are provided in the amount of \$275,600 in FY 2000-2001 and \$400,000 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

The General Assembly, Part III, General Provisions (33), includes a language provision that states, the Kentucky Revenue Cabinet may enter into discussions with states regarding development of a multi-state, voluntary, streamlined system for sales and use tax which would have the capability to determine the taxability of a transaction and provide a method for collecting and remitting the taxes to the state. The system may provide compensation for the costs of collecting and remitting sales and use taxes. Following these discussions, the Cabinet may proceed to issue a Joint Request for Information.

The Cabinet may participate in a sales tax pilot project with other states and selected businesses to test means for simplifying sales and use tax administration and may enter into joint agreements for this purpose, subject to the following conditions.

- (a) Agreements to participate in the test shall establish provisions for the administration, imposition and collection of sales and use taxes resulting in revenues paid that are the same as would be paid under KRS Chapter 139;
- (b) Parties to the agreements are excused from complying with the provisions of KRS Chapter 45A to the extent a different procedure is required by the agreements.
- (c) Agreements authorized under this section, if any, shall terminate no later than December 31, 2001.

Return information submitted to any party or parties acting for and on behalf of the state shall be treated as confidential taxpayer information. Disclosure of confidential information necessary under any agreement shall be pursuant to a written agreement between the Cabinet and other party or parties. Other party or parties shall be bound by the same requirements of confidentiality as the Cabinet under KRS 131.190.

By March 1, 2001, the Cabinet shall report to the Governor and the Legislative Research Commission on the status of multi-state discussions and, if a proposed system is agreed upon by participating states, shall also recommend whether the state should participate in the system.

FB 2000-2002 FINAL BUDGET MEMORANDUM  
2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY

Governmental Branch: Executive Branch

Agency: Revenue Cabinet

Cabinet/Function: Revenue

Appropriation Unit: Revenue Cabinet

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. CAPITAL PROJECT RECAP BY FUND SOURCE									
Capital Const. Surplus				200,000	200,000				
TOTAL CAPITAL				200,000	200,000				
II. CAPITAL PROJECTS									
1 (C300269) Network Infrastructure Replacement									
Capital Const. Surplus				200,000	200,000				
Total				200,000	200,000				
3 (C300001) Franklin County - Lease									
Total									
4 (C300002) Franklin County - Lease									
Total									
5 (C300003) Franklin County - Lease									
Total									
TOTAL				200,000	200,000				

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**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch

Agency: Revenue Cabinet

Cabinet/Function: Revenue

Appropriation Unit: Property Valuation Administrators

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	22,972,500	22,972,500		25,146,200	25,048,200	(98,000)	26,254,400	26,368,800	114,400
Restricted Funds	2,549,500	2,549,500		3,240,500	3,240,500		3,271,900	3,271,900	
<b>Regular Total Funds</b>	<b>25,522,000</b>	<b>25,522,000</b>		<b>28,386,700</b>	<b>28,288,700</b>	<b>(98,000)</b>	<b>29,526,300</b>	<b>29,640,700</b>	<b>114,400</b>
General Fund Continuing									
<b>GRAND TOTAL FUNDS</b>	<b>25,522,000</b>	<b>25,522,000</b>		<b>28,386,700</b>	<b>28,288,700</b>	<b>(98,000)</b>	<b>29,526,300</b>	<b>29,640,700</b>	<b>114,400</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	25,060,000	25,060,000		27,924,700	27,826,700	(98,000)	29,064,300	29,178,700	114,400
Operating Expenses	462,000	462,000		462,000	462,000		462,000	462,000	
<b>TOTAL EXPENDITURES</b>	<b>25,522,000</b>	<b>25,522,000</b>		<b>28,386,700</b>	<b>28,288,700</b>	<b>(98,000)</b>	<b>29,526,300</b>	<b>29,640,700</b>	<b>114,400</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	22,972,500	22,972,500		23,432,300	23,432,300		24,784,100	24,784,100	
Restricted Funds	2,549,500	2,549,500		3,240,500	3,240,500		3,271,900	3,271,900	
<b>Regular Total Funds</b>	<b>25,522,000</b>	<b>25,522,000</b>		<b>26,672,800</b>	<b>26,672,800</b>		<b>28,056,000</b>	<b>28,056,000</b>	
General Fund Continuing									
<b>TOTAL BASE LEVEL</b>	<b>25,522,000</b>	<b>25,522,000</b>		<b>26,672,800</b>	<b>26,672,800</b>		<b>28,056,000</b>	<b>28,056,000</b>	
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				1,713,900	1,615,900	(98,000)	1,470,300	1,584,700	114,400
<b>TOTAL ADDITIONAL</b>				<b>1,713,900</b>	<b>1,615,900</b>	<b>(98,000)</b>	<b>1,470,300</b>	<b>1,584,700</b>	<b>114,400</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 EXPAN</b>	<b>PVA Salary Structure-Increase Salaries</b>								
(C30RC0X01)	Provide funds to support PVA salary increases which, will provide parity with other locally elected officials.								
<b>General Fund</b>				1,543,400	1,543,400		1,470,300	1,470,300	
<b>Total</b>				<b>1,543,400</b>	<b>1,543,400</b>		<b>1,470,300</b>	<b>1,470,300</b>	
<b>2 NEW</b>	<b>Wage Equity Plan</b>								
(C30RC0X03)	Support salary improvement.								
<b>General Fund</b>				170,500	72,500	(98,000)		114,400	114,400
<b>Total</b>				<b>170,500</b>	<b>72,500</b>	<b>(98,000)</b>		<b>114,400</b>	<b>114,400</b>
<b>TOTAL ADDITIONAL</b>				<b>1,713,900</b>	<b>1,615,900</b>	<b>(98,000)</b>	<b>1,470,300</b>	<b>1,584,700</b>	<b>114,400</b>

## **FB 2000-2002 BUDGET MODIFICATION REPORT**

### **Property Valuation Administrators**

#### **BRANCH BUDGET**

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions: Additional General Fund dollars of \$1,543,400 in FY 2000-2001 and \$1,470,300 in FY 2001-2002 are provided for the enhancement of Property Valuation Administrators salaries, consistent with other county public officials, as provided in HB 810 of the 1998 General Assembly and codified in KRS 64.5275.

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional funding support totaling \$170,500 in FY 2000-2001 (General Fund) is budgeted to provide a guaranteed COLA salary adjustment for each employee on July 1 each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increase in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

Funding support from reduced employer retirement contributions and vacancy credits is included in the Base Level Budget to support increased costs of existing operations.

#### **GENERAL ASSEMBLY**

The General Assembly concurs with the Branch Budget with the following changes:

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, General Fund dollars are provided in the amount of \$72,500 in FY 2000-2001 and \$114,400 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

The General Assembly provides, Part I, Operating Budget, language that states, notwithstanding the provisions of KRS 18A.110 to 18A.355 and KRS 61.510 to 61.705, included in the above Restricted Funds appropriation are funds to allow Property Valuation Administrators and their Deputies to receive lump-sum payments for accrued annual leave and compensatory time when separated from employment because of termination by the employer, resignation, retirement, or death

The General Assembly provides, Part IX, Special Provisions, a language provision relating to Annual and Compensatory Leave that states, notwithstanding the provisions of KRS 18A.110 to 18A.355 and KRS 61.510 to 61.705, the cabinet shall promulgate administrative regulations allowing property valuation administrators and their deputies to receive lump-sum payments for accrued annual leave and compensatory time when separated from employment because of termination by the employer, resignation, retirement, or death.

**FB 2000-2002 COMMONWEALTH BUDGET  
FINAL BUDGET MEMORANDUM**

**TOURISM DEVELOPMENT**

**JUNE 7, 2000**

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**FB 2000-2002 FINAL BUDGET MEMORANDUM  
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY  
GENERAL FUND BY BUDGET UNIT**

**Cabinet/Function: Tourism Development**

	<b>FY 1999-2000 Budget</b>	<b>FY 2000-2001</b>			<b>FY 2001-2002</b>		
		<b>Branch</b>	<b>General Assembly</b>	<b>Difference</b>	<b>Branch</b>	<b>General Assembly</b>	<b>Difference</b>
Secretary	1,276,100	1,342,100	1,529,700	187,600	1,678,700	1,873,200	194,500
Breaks Interstate Park	200,000	250,000	250,000		250,000	250,000	
Travel Development	7,177,800	7,282,900	7,237,300	(45,600)	7,483,900	7,427,000	(56,900)
Parks	28,625,600	28,336,600	27,303,800	(1,032,800)	30,327,600	28,486,100	(1,841,500)
Kentucky Horse Park	1,632,000	1,446,300	1,378,000	(68,300)	1,730,500	1,680,700	(49,800)
Kentucky State Fair Board	407,000	407,000	407,000		407,000	407,000	
<b>Operating Budget Total</b>	<b>39,318,500</b>	<b>39,064,900</b>	<b>38,105,800</b>	<b>(959,100)</b>	<b>41,877,700</b>	<b>40,124,000</b>	<b>(1,753,700)</b>

*Note: FY 1999-2000 Budget includes any supplemental appropriations, as provided by the 2000 General Assembly.*

**FB 2000-2002 FINAL BUDGET MEMORANDUM  
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY  
RESTRICTED FUNDS BY BUDGET UNIT**

**Cabinet/Function: Tourism Development**

	<b>FY 1999-2000 Budget</b>	<b>FY 2000-2001</b>		<b>FY 2001-2002</b>		
		<b>Branch</b>	<b>General Assembly</b>	<b>Difference</b>	<b>Branch</b>	<b>General Assembly</b>
Secretary	3,800				100,000	100,000
Travel Development	24,600	4,000	4,000		4,000	4,000
Parks	47,082,000	48,062,500	48,062,500		49,491,900	49,491,900
Kentucky Horse Park	4,777,000	4,917,000	4,917,000		4,960,100	4,960,100
Kentucky State Fair Board	27,518,200	27,952,200	27,952,200		28,972,500	28,972,500
Fish and Wildlife Resources	24,492,500	25,250,500	25,250,500		26,015,600	26,015,600
<b>Operating Budget Total</b>	<b>103,898,100</b>	<b>106,186,200</b>	<b>106,186,200</b>		<b>109,544,100</b>	<b>109,544,100</b>

**FB 2000-2002 FINAL BUDGET MEMORANDUM  
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY  
FEDERAL FUNDS BY BUDGET UNIT**

**Cabinet/Function: Tourism Development**

	FY 2000-2001			FY 2001-2002		
	FY 1999-2000 Budget	Branch	General Assembly	Difference	Branch	General Assembly
Travel Development	34,100					
Fish and Wildlife Resources	7,331,500	7,000,000	7,000,000		7,000,000	7,000,000
<b>Operating Budget Total</b>	<b>7,365,600</b>	<b>7,000,000</b>	<b>7,000,000</b>		<b>7,000,000</b>	<b>7,000,000</b>

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**  
**TOTAL FUNDS BY BUDGET UNIT**

**Cabinet/Function: Tourism Development**

	<b>FY 1999-2000 Budget</b>	<b>FY 2000-2001</b>			<b>FY 2001-2002</b>		
		<b>Branch</b>	<b>General Assembly</b>	<b>Difference</b>	<b>Branch</b>	<b>General Assembly</b>	<b>Difference</b>
Secretary	1,279,900	1,342,100	1,529,700	187,600	1,778,700	1,973,200	194,500
Breaks Interstate Park	200,000	250,000	250,000		250,000	250,000	
Travel Development	7,236,500	7,286,900	7,241,300	(45,600)	7,487,900	7,431,000	(56,900)
Parks	75,707,600	76,399,100	75,366,300	(1,032,800)	79,819,500	77,978,000	(1,841,500)
Kentucky Horse Park	6,409,000	6,363,300	6,295,000	(68,300)	6,690,600	6,640,800	(49,800)
Kentucky State Fair Board	27,925,200	28,359,200	28,359,200		29,379,500	29,379,500	
Fish and Wildlife Resources	31,824,000	32,250,500	32,250,500		33,015,600	33,015,600	
<b>Operating Budget Total</b>	<b>150,582,200</b>	<b>152,251,100</b>	<b>151,292,000</b>	<b>(959,100)</b>	<b>158,421,800</b>	<b>156,668,100</b>	<b>(1,753,700)</b>

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch  
**Cabinet/Function:** Tourism Development

**Agency:** Summary  
**Appropriation Unit:**

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	39,318,500	39,318,500		39,064,900	38,105,800	(959,100)	41,877,700	40,124,000	(1,753,700)
Restricted Funds	103,898,100	103,898,100		106,186,200	106,186,200		109,544,100	109,544,100	
Federal Funds	7,365,600	7,365,600		7,000,000	7,000,000		7,000,000	7,000,000	
<b>Regular Total Funds</b>	<b>150,582,200</b>	<b>150,582,200</b>		<b>152,251,100</b>	<b>151,292,000</b>	<b>(959,100)</b>	<b>158,421,800</b>	<b>156,668,100</b>	<b>(1,753,700)</b>
General Fund Continuing									
<b>GRAND TOTAL FUNDS</b>	<b>150,582,200</b>	<b>150,582,200</b>		<b>152,251,100</b>	<b>151,292,000</b>	<b>(959,100)</b>	<b>158,421,800</b>	<b>156,668,100</b>	<b>(1,753,700)</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	92,824,800	92,824,800		96,999,900	95,668,800	(1,331,100)	102,238,700	100,280,000	(1,958,700)
Operating Expenses	49,923,200	49,923,200		49,030,100	49,202,100	172,000	50,132,200	50,294,200	162,000
Grants, Loans, Benefits	2,774,400	2,774,400		2,829,200	2,829,200		2,885,700	2,885,700	
Debt Service	896,000	896,000		371,000	371,000		427,000	470,000	43,000
Capital Outlay	4,163,800	4,163,800		3,020,900	3,220,900	200,000	2,738,200	2,738,200	
<b>TOTAL EXPENDITURES</b>	<b>150,582,200</b>	<b>150,582,200</b>		<b>152,251,100</b>	<b>151,292,000</b>	<b>(959,100)</b>	<b>158,421,800</b>	<b>156,668,100</b>	<b>(1,753,700)</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	39,318,500	39,318,500		37,311,900	37,311,900		39,018,600	39,018,600	
Restricted Funds	102,476,200	102,476,200		104,382,200	105,005,500	623,300	107,317,400	108,154,200	836,800
Federal Funds	7,331,500	7,331,500		7,000,000	7,000,000		7,000,000	7,000,000	
<b>Regular Total Funds</b>	<b>149,126,200</b>	<b>149,126,200</b>		<b>148,694,100</b>	<b>149,317,400</b>	<b>623,300</b>	<b>153,336,000</b>	<b>154,172,800</b>	<b>836,800</b>
General Fund Continuing									
<b>TOTAL BASE LEVEL</b>	<b>149,126,200</b>	<b>149,126,200</b>		<b>148,694,100</b>	<b>149,317,400</b>	<b>623,300</b>	<b>153,336,000</b>	<b>154,172,800</b>	<b>836,800</b>
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				1,753,000	793,900	(959,100)	2,859,100	1,105,400	(1,753,700)
Restricted Funds	1,421,900	1,421,900		1,804,000	1,180,700	(623,300)	2,226,700	1,389,900	(836,800)
Federal Funds	34,100	34,100							
<b>TOTAL ADDITIONAL</b>	<b>1,456,000</b>	<b>1,456,000</b>		<b>3,557,000</b>	<b>1,974,600</b>	<b>(1,582,400)</b>	<b>5,085,800</b>	<b>2,495,300</b>	<b>(2,590,500)</b>

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY**

**Governmental Branch:** Executive Branch  
**Cabinet/Function:** Tourism Development

**Agency:** Summary  
**Appropriation Unit:**

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. CAPITAL PROJECT RECAP BY FUND SOURCE</b>									
General Fund	200,000	200,000		375,000		(375,000)			
Restricted Funds				3,300,000	3,300,000		2,950,000	2,950,000	
Bond Funds				500,000	875,000	375,000			
Investment Income				4,575,000	4,575,000		4,675,000	4,675,000	
Deferred Maintenance				300,000	300,000				
Emer. Repair & Maint.	2,210,000	2,210,000							
<b>TOTAL CAPITAL</b>	<b>2,410,000</b>	<b>2,410,000</b>		<b>9,050,000</b>	<b>9,050,000</b>		<b>7,625,000</b>	<b>7,625,000</b>	

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch  
**Cabinet/Function:** Tourism Development

**Agency:** Tourism Development  
**Appropriation Unit:** Secretary

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	1,276,100	1,276,100		1,342,100	1,529,700	187,600	1,678,700	1,873,200	194,500
Restricted Funds	3,800	3,800					100,000	100,000	
<b>Regular Total Funds</b>	<b>1,279,900</b>	<b>1,279,900</b>		<b>1,342,100</b>	<b>1,529,700</b>	<b>187,600</b>	<b>1,778,700</b>	<b>1,973,200</b>	<b>194,500</b>
General Fund Continuing									
<b>GRAND TOTAL FUNDS</b>	<b>1,279,900</b>	<b>1,279,900</b>		<b>1,342,100</b>	<b>1,529,700</b>	<b>187,600</b>	<b>1,778,700</b>	<b>1,973,200</b>	<b>194,500</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	840,800	840,800		898,100	935,700	37,600	1,255,700	1,300,200	44,500
Operating Expenses	169,100	169,100		174,000	324,000	150,000	253,000	403,000	150,000
Grants, Loans, Benefits	270,000	270,000		270,000	270,000		270,000	270,000	
<b>TOTAL EXPENDITURES</b>	<b>1,279,900</b>	<b>1,279,900</b>		<b>1,342,100</b>	<b>1,529,700</b>	<b>187,600</b>	<b>1,778,700</b>	<b>1,973,200</b>	<b>194,500</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	1,276,100	1,276,100		1,326,600	1,326,600		1,369,100	1,369,100	
<b>Regular Total Funds</b>	<b>1,276,100</b>	<b>1,276,100</b>		<b>1,326,600</b>	<b>1,326,600</b>		<b>1,369,100</b>	<b>1,369,100</b>	
General Fund Continuing									
<b>TOTAL BASE LEVEL</b>	<b>1,276,100</b>	<b>1,276,100</b>		<b>1,326,600</b>	<b>1,326,600</b>		<b>1,369,100</b>	<b>1,369,100</b>	
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				15,500	203,100	187,600	309,600	504,100	194,500
Restricted Funds	3,800	3,800					100,000	100,000	
<b>TOTAL ADDITIONAL</b>	<b>3,800</b>	<b>3,800</b>		<b>15,500</b>	<b>203,100</b>	<b>187,600</b>	<b>409,600</b>	<b>604,100</b>	<b>194,500</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 NEW</b>	<b>Artisans Center-Operations</b>								
(850AA0X01)	Provide funds to support personnel and operating expenses; (14 PFT positions).								
<b>General Fund</b>							300,000	300,000	
<b>Restricted Funds</b>							100,000	100,000	
<b>Total</b>							<b>400,000</b>	<b>400,000</b>	
<b>2 NEW</b>	<b>Wage Equity Plan</b>								
(850AA0X04)	Provide funds to support salary improvement.								
<b>General Fund</b>				15,500	3,100	(12,400)	9,600	4,100	(5,500)
<b>Total</b>				<b>15,500</b>	<b>3,100</b>	<b>(12,400)</b>	<b>9,600</b>	<b>4,100</b>	<b>(5,500)</b>

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch  
**Cabinet/Function:** Tourism Development

**Agency:** Tourism Development  
**Appropriation Unit:** Secretary

		FY 1999-2000			FY 2000-2001			FY 2001-2002		
		Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>V. ADDITIONAL BUDGET ITEMS</b>										
<b>3</b>	<b>EXPAN</b>	<b>Office of Secretary-General Administration and Support</b>								
	(850AA0X05)	Provide funds to support ongoing activities.								
<b>Restricted Funds</b>		3,800	3,800							
<b>Total</b>		<b>3,800</b>	<b>3,800</b>							
<b>4</b>	<b>NEW</b>	<b>Office of Secretary-Certified Retirement Community Program</b>								
	(850AGA01)	Provide funds to support personnel and operating expenses: (1 PFT position).								
<b>General Fund</b>						200,000	200,000		200,000	200,000
<b>Total</b>						<b>200,000</b>	<b>200,000</b>		<b>200,000</b>	<b>200,000</b>
<b>TOTAL ADDITIONAL</b>		<b>3,800</b>	<b>3,800</b>		<b>15,500</b>	<b>203,100</b>	<b>187,600</b>	<b>409,600</b>	<b>604,100</b>	<b>194,500</b>



## **FB 2000-2002 BUDGET MODIFICATION REPORT**

### **Office of the Secretary**

#### **BRANCH BUDGET**

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

Additional General Fund support totaling \$300,000 and additional Restricted Funds support totaling \$100,000 in FY 2001-2002 are provided to support operating costs and staffing (14 Permanent Full-time) for the Artisans Center in Berea.

Additional Restricted Funds support totaling \$3,800 in FY 1999-2000 is provided to support ongoing activities.

Wage Equity Plan funding, which includes the value of an 5% adjustment in personnel costs, supplemented with additional General Fund support totaling \$15,500 in FY 2000-2001 and \$9,600 in FY 2001-2002 is budgeted to provide a guaranteed COLA salary adjustment for each employee on July 1 each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increase in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

The Branch Budget recommendation continues the General Fund support of \$270,000 each year of the biennium for the Outdoor Drama Grant program.

#### **GENERAL ASSEMBLY**

The General Assembly concurs with the Branch Budget with the following changes: The General Assembly provides additional General Fund dollars totaling \$200,000 in each fiscal year of the biennium to support one additional full-time position and operating costs to establish and administer a Certified Retirement Community Program.

The General Assembly provides in Part II, Capital Projects Budget, funding of \$1,500,000 in FY 2000-2001 for a Tourism Development Loan Program within the Economic Development Cabinet budget unit from the previously authorized but unissued balance of the Economic Development Bond Pool.

In Part II, Capital Projects Budget, the General Assembly reauthorizes and reallocates \$2,000,000 in Bond Funds appropriated by the 1998 General Assembly for the Coca Cola Museum project in Hardin County to the following projects: Elizabethtown State Theater, \$1,000,000; Hardin County Public Library, \$300,000; Lincoln Trail Domestic Violence Center, \$250,000; Patton Museum Expansion Project, \$200,000; Vaughn Reno Starks Community Center, \$200,000; and the Wesley Hilltop House, \$50,000. The General Assembly also Reauthorizes the Western Kentucky Information/Tourism Center.

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$3,100 in FY 2000-2001 and \$4,100 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

The General Assembly adds the following Part IX language provision relating to the Tourism Development Loan Program to read:

**FB 2000-2002  
BUDGET MODIFICATION REPORT**

**Office of the Secretary**

a. Tourism Development Loan Program: Funds from the Tourism Development Loan Program shall be provided for direct loans for new tourism business start-ups or expansion of tourism businesses. A local financial institution shall service all loans which shall be on a cash match basis. The maximum state loan amount shall be \$250,000 and all loan proceeds must be for fixed costs only. The Secretary of Tourism shall establish a Tourism Development Finance Authority and establish criteria for disbursement and collection of the funds. The Cabinet shall provide a biannual progress report of the Tourism Development Loan Program to the Legislative Research Commission for referral to the appropriate committees.

**FB 2000-2002 FINAL BUDGET MEMORANDUM  
2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY**

**Governmental Branch:** Executive Branch  
**Cabinet/Function:** Tourism Development

**Agency:** Tourism Development  
**Appropriation Unit:** Secretary

FY 1999-2000			FY 2000-2001			FY 2001-2002		
Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference

## I. CAPITAL PROJECT RECAP BY FUND SOURCE

### TOTAL CAPITAL

## II. CAPITAL PROJECTS

**1** (850AGA02) **Elizabethtown State Theater-Reauthorize/Reallocate: (\$1,000,000 Bond Funds)**

### Total

**2** (850AGA03) **Hardin County Public Library-Reauthorize/Reallocate: (\$300,000 Bond Funds)**

### Total

**3** (850AGA04) **Lincoln Trail Domestic Violence Center-Reauthorize/Reallocate: (\$250,000 Bond Funds)**

### Total

**4** (850AGA05) **Patton Museum Expansion Project-Reauthorize/Reallocate: (\$200,000 Bond Funds)**

### Total

**5** (850AGA06) **Vaughn Reno Starks Community Center-Reauthorize/Reallocate: (\$200,000 Bond Funds)**

### Total

**6** (850AGA07) **Wesley Hilltop House-Reauthorize/Reallocate: (\$50,000 Bond Funds)**

### Total

**7** (850AGA08) **Western Kentucky Information/Tourism Center-Reauthorization (\$200,000-General Fund)**

### Total

## TOTAL

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**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch  
**Cabinet/Function:** Tourism Development

**Agency:** Tourism Development  
**Appropriation Unit:** Breaks Interstate Park

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	200,000	200,000		250,000	250,000		250,000	250,000	
<b>Regular Total Funds</b>	<b>200,000</b>	<b>200,000</b>		<b>250,000</b>	<b>250,000</b>		<b>250,000</b>	<b>250,000</b>	
General Fund Continuing									
<b>GRAND TOTAL FUNDS</b>	<b>200,000</b>	<b>200,000</b>		<b>250,000</b>	<b>250,000</b>		<b>250,000</b>	<b>250,000</b>	
<b>II. EXPENDITURE CATEGORY</b>									
Grants, Loans, Benefits	200,000	200,000		250,000	250,000		250,000	250,000	
<b>TOTAL EXPENDITURES</b>	<b>200,000</b>	<b>200,000</b>		<b>250,000</b>	<b>250,000</b>		<b>250,000</b>	<b>250,000</b>	
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	200,000	200,000		200,000	200,000		200,000	200,000	
<b>Regular Total Funds</b>	<b>200,000</b>	<b>200,000</b>		<b>200,000</b>	<b>200,000</b>		<b>200,000</b>	<b>200,000</b>	
General Fund Continuing									
<b>TOTAL BASE LEVEL</b>	<b>200,000</b>	<b>200,000</b>		<b>200,000</b>	<b>200,000</b>		<b>200,000</b>	<b>200,000</b>	
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				50,000	50,000		50,000	50,000	
<b>TOTAL ADDITIONAL</b>				<b>50,000</b>	<b>50,000</b>		<b>50,000</b>	<b>50,000</b>	
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 EXPAN</b>	<b>State Match Support-Increase Funding Support</b>								
(850K00X01)	Provide funds to increase grant to \$250,000 each year to match level provided by VA.								
<b>General Fund</b>				50,000	50,000		50,000	50,000	
<b>Total</b>				<b>50,000</b>	<b>50,000</b>		<b>50,000</b>	<b>50,000</b>	
<b>TOTAL ADDITIONAL</b>				<b>50,000</b>	<b>50,000</b>		<b>50,000</b>	<b>50,000</b>	

**FB 2000-2002  
BUDGET MODIFICATION REPORT**

**Breaks Interstate Park**

**BRANCH BUDGET**

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exception:

Additional General Fund support totaling \$50,000 each fiscal year of the biennium is provided to increase the total General Fund support for the Park to \$250,000.

The Branch Budget Bill, Part I, Operating Budget, includes a language provision relating to the General Fund appropriation, that directs that an appropriation up to \$250,000 in each fiscal year is provided contingent upon the Commonwealth of Virginia providing an appropriation which would be matched dollar for dollar up to the maximum amount. Any portion not matched by the Commonwealth of Virginia shall lapse to the General Fund at the close of each fiscal year.

**GENERAL ASSEMBLY**

The General Assembly concurs with the Branch Budget.

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch  
**Cabinet/Function:** Tourism Development

**Agency:** Tourism Development  
**Appropriation Unit:** Travel Development

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	7,177,800	7,177,800		7,282,900	7,237,300	(45,600)	7,483,900	7,427,000	(56,900)
Restricted Funds	24,600	24,600		4,000	4,000		4,000	4,000	
Federal Funds	34,100	34,100							
<b>Regular Total Funds</b>	<b>7,236,500</b>	<b>7,236,500</b>		<b>7,286,900</b>	<b>7,241,300</b>	<b>(45,600)</b>	<b>7,487,900</b>	<b>7,431,000</b>	<b>(56,900)</b>
General Fund Continuing									
<b>GRAND TOTAL FUNDS</b>	<b>7,236,500</b>	<b>7,236,500</b>		<b>7,286,900</b>	<b>7,241,300</b>	<b>(45,600)</b>	<b>7,487,900</b>	<b>7,431,000</b>	<b>(56,900)</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	4,953,500	4,953,500		5,060,900	5,015,300	(45,600)	5,261,900	5,205,000	(56,900)
Operating Expenses	1,453,000	1,453,000		1,396,000	1,396,000		1,396,000	1,396,000	
Grants, Loans, Benefits	830,000	830,000		830,000	830,000		830,000	830,000	
<b>TOTAL EXPENDITURES</b>	<b>7,236,500</b>	<b>7,236,500</b>		<b>7,286,900</b>	<b>7,241,300</b>	<b>(45,600)</b>	<b>7,487,900</b>	<b>7,431,000</b>	<b>(56,900)</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	7,177,800	7,177,800		7,224,900	7,224,900		7,408,900	7,408,900	
Restricted Funds	4,000	4,000		4,000	4,000		4,000	4,000	
<b>Regular Total Funds</b>	<b>7,181,800</b>	<b>7,181,800</b>		<b>7,228,900</b>	<b>7,228,900</b>		<b>7,412,900</b>	<b>7,412,900</b>	
General Fund Continuing									
<b>TOTAL BASE LEVEL</b>	<b>7,181,800</b>	<b>7,181,800</b>		<b>7,228,900</b>	<b>7,228,900</b>		<b>7,412,900</b>	<b>7,412,900</b>	
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				58,000	12,400	(45,600)	75,000	18,100	(56,900)
Restricted Funds	20,600	20,600							
Federal Funds	34,100	34,100							
<b>TOTAL ADDITIONAL</b>	<b>54,700</b>	<b>54,700</b>		<b>58,000</b>	<b>12,400</b>	<b>(45,600)</b>	<b>75,000</b>	<b>18,100</b>	<b>(56,900)</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 NEW</b>	<b>Wage Equity Plan</b>								
(860BC0X04)	Provide funds to support salary improvement.								
<b>General Fund</b>				58,000	12,400	(45,600)	75,000	18,100	(56,900)
<b>Total</b>				<b>58,000</b>	<b>12,400</b>	<b>(45,600)</b>	<b>75,000</b>	<b>18,100</b>	<b>(56,900)</b>
<b>2 EXPAN</b>	<b>Marketing and Advertising-Promotional expansion.</b>								
(860BA0X01)	Provide funds to support the purchase of additional promotional items.								

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch  
**Cabinet/Function:** Tourism Development

**Agency:** Tourism Development  
**Appropriation Unit:** Travel Development

		FY 1999-2000			FY 2000-2001			FY 2001-2002		
		Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
V. ADDITIONAL BUDGET ITEMS										
2	EXPAN	Marketing and Advertising-Promotional expansion.								
(860BA0X01)		Provide funds to support the purchase of additional promotional items.								
Restricted Funds		20,600	20,600							
Total		20,600	20,600							
3	MTCE	Marketing and Advertising-Cooperative Tourism Marketing Program								
(860BA0X02)		Provide funds to support the continuation of the program.								
Federal Funds		34,100	34,100							
Total		34,100	34,100							
TOTAL ADDITIONAL		54,700	54,700		58,000	12,400	(45,600)	75,000	18,100	(56,900)



## **FB 2000-2002 BUDGET MODIFICATION REPORT**

### **Travel Development**

#### **BRANCH BUDGET**

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

Additional Restricted Funds support totaling \$20,600 in FY 1999-2000 is provided for the purchase of additional promotional items. Additional Federal Funds support totaling \$34,100 in FY 1999-2000 is provided to continue the Cooperative Tourism Marketing Program.

Wage Equity Plan funding, which includes the value of an 5% adjustment in personnel costs, supplemented with additional General Fund support totaling \$58,000 in FY 2000-2001 and \$75,000 in FY 2001-2002 is budgeted to provide a guaranteed COLA salary adjustment for each employee on July 1 each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increase in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

The Branch Budget Bill, Part I, Operating Budget, appropriates General Fund support totaling \$2,719,000 in FY 2000-2001 and \$2,784,000 in FY 2001-2002 for the Comprehensive Advertising Program Contract. The Branch Budget Bill also appropriates General Fund support totaling \$800,000 in each year of the biennium for the Matching Funds Advertising program to be used for regional cooperative advertising campaigns.

The Branch Budget recommendation continues a General Fund appropriation totaling \$30,000 each fiscal year of the biennium to fund a fifty percent (50%) cash match for the International Tourism activity, and a General Fund appropriation totaling \$15,000 each fiscal year to support a match of \$15,000 from the Transportation Cabinet for the Mississippi River Parkway Commission.

#### **GENERAL ASSEMBLY**

The General Assembly concurs with the Branch Budget with the following change: The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$12,400 in FY 2000-2001 and \$18,100 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

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**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch  
**Cabinet/Function:** Tourism Development

**Agency:** Tourism Development  
**Appropriation Unit:** Parks

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	28,625,600	28,625,600		28,336,600	27,303,800	(1,032,800)	30,327,600	28,486,100	(1,841,500)
Restricted Funds	47,082,000	47,082,000		48,062,500	48,062,500		49,491,900	49,491,900	
<b>Regular Total Funds</b>	<b>75,707,600</b>	<b>75,707,600</b>		<b>76,399,100</b>	<b>75,366,300</b>	<b>(1,032,800)</b>	<b>79,819,500</b>	<b>77,978,000</b>	<b>(1,841,500)</b>
General Fund Continuing									
<b>GRAND TOTAL FUNDS</b>	<b>75,707,600</b>	<b>75,707,600</b>		<b>76,399,100</b>	<b>75,366,300</b>	<b>(1,032,800)</b>	<b>79,819,500</b>	<b>77,978,000</b>	<b>(1,841,500)</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	44,650,100	44,650,100		47,218,800	45,976,000	(1,242,800)	49,776,600	47,935,100	(1,841,500)
Operating Expenses	28,865,900	28,865,900		28,035,300	28,045,300	10,000	28,886,900	28,886,900	
Grants, Loans, Benefits	50,000	50,000							
Debt Service	525,000	525,000					56,000	56,000	
Capital Outlay	1,616,600	1,616,600		1,145,000	1,345,000	200,000	1,100,000	1,100,000	
<b>TOTAL EXPENDITURES</b>	<b>75,707,600</b>	<b>75,707,600</b>		<b>76,399,100</b>	<b>75,366,300</b>	<b>(1,032,800)</b>	<b>79,819,500</b>	<b>77,978,000</b>	<b>(1,841,500)</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	28,625,600	28,625,600		26,801,100	26,801,100		28,029,600	28,029,600	
Restricted Funds	45,684,500	45,684,500		46,881,800	46,881,800		48,202,000	48,202,000	
<b>Regular Total Funds</b>	<b>74,310,100</b>	<b>74,310,100</b>		<b>73,682,900</b>	<b>73,682,900</b>		<b>76,231,600</b>	<b>76,231,600</b>	
General Fund Continuing									
<b>TOTAL BASE LEVEL</b>	<b>74,310,100</b>	<b>74,310,100</b>		<b>73,682,900</b>	<b>73,682,900</b>		<b>76,231,600</b>	<b>76,231,600</b>	
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				1,535,500	502,700	(1,032,800)	2,298,000	456,500	(1,841,500)
Restricted Funds	1,397,500	1,397,500		1,180,700	1,180,700		1,289,900	1,289,900	
<b>TOTAL ADDITIONAL</b>	<b>1,397,500</b>	<b>1,397,500</b>		<b>2,716,200</b>	<b>1,683,400</b>	<b>(1,032,800)</b>	<b>3,587,900</b>	<b>1,746,400</b>	<b>(1,841,500)</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 EXPAN</b>	<b>Resort Parks-Pine Mountain Golf Course Operations</b>								
(670CB0X01)	Provide funds to support personnel and operating costs to operate golf course (12 PFT Positions, 10 Interim Positions).								
<b>Restricted Funds</b>				494,000	494,000		526,800	526,800	
<b>Total</b>				<b>494,000</b>	<b>494,000</b>		<b>526,800</b>	<b>526,800</b>	
<b>2 EXPAN</b>	<b>Resort Parks-General Butler Conference Center Operations</b>								
(670CB0X07)	Provide funds to support personnel and operating costs to operate Center (13 PFT Positions, 8 Interim Positions).								

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch  
**Cabinet/Function:** Tourism Development

**Agency:** Tourism Development  
**Appropriation Unit:** Parks

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>2 EXPAN</b>	<b>Resort Parks-General Butler Conference Center Operations</b>								
(670CB0X07)	Provide funds to support personnel and operating costs to operate Center (13 PFT Positions, 8 Interim Positions).								
<b>Restricted Funds</b>	205,900	205,900		431,500	431,500		442,500	442,500	
<b>Total</b>	<b>205,900</b>	<b>205,900</b>		<b>431,500</b>	<b>431,500</b>		<b>442,500</b>	<b>442,500</b>	
<b>3 EXPAN</b>	<b>Resort Parks-Blue Licks Lodge Operations</b>								
(670CB0X05)	Provide funds to support personnel and operating costs to operate Lodge expansion (1 PFT Position).								
<b>Restricted Funds</b>				56,000	56,000		57,000	57,000	
<b>Total</b>				<b>56,000</b>	<b>56,000</b>		<b>57,000</b>	<b>57,000</b>	
<b>4 EXPAN</b>	<b>Resort Parks-Dale Hollow Lodge Operations</b>								
(670CB0X06)	Provide funds to support personnel and operating costs to operate Lodge expansion (4 PFT and 3 Interim Positions).								
<b>Restricted Funds</b>				179,200	179,200		183,600	183,600	
<b>Total</b>				<b>179,200</b>	<b>179,200</b>		<b>183,600</b>	<b>183,600</b>	
<b>5 NEW</b>	<b>Recreational Parks &amp; Historic Sites-Paintsville Lake Operations</b>								
(670CC0X05)	Provide funds to support personnel and operating costs to operate campground and new park developments (1 PFT and 6 Interim Positions).								
<b>General Fund</b>				57,300	57,300		63,200	63,200	
<b>Restricted Funds</b>				10,000	10,000		40,000	40,000	
<b>Total</b>				<b>67,300</b>	<b>67,300</b>		<b>103,200</b>	<b>103,200</b>	
<b>6 NEW</b>	<b>Recreational Parks &amp; Historic Sites-Nolin Lake Operations</b>								
(670CC0X03)	Provide funds to support personnel and operating costs to operate campground (2 PFT and 5 Interim Positions).								
<b>General Fund</b>				62,600	62,600		64,000	64,000	
<b>Restricted Funds</b>				10,000	10,000		40,000	40,000	
<b>Total</b>				<b>72,600</b>	<b>72,600</b>		<b>104,000</b>	<b>104,000</b>	
<b>7 EXPAN</b>	<b>Recreational Parks &amp; Historic Sites-Perryville Operations</b>								
(670CC0X06)	Provide funds to support personnel and operating costs relating to Park expansions (2 PFT Positions).								
<b>General Fund</b>				34,400	34,400		36,400	36,400	
<b>Total</b>				<b>34,400</b>	<b>34,400</b>		<b>36,400</b>	<b>36,400</b>	

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch  
**Cabinet/Function:** Tourism Development

**Agency:** Tourism Development  
**Appropriation Unit:** Parks

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>8 NEW</b>	<b>Recreational Parks &amp; Historic Sites-Yatesville Lake Operations</b>								
(670CC0X04)	Provide funds to support 1 Park Ranger position.								
<b>General Fund Total</b>				20,200	20,200		21,400	21,400	
				<b>20,200</b>	<b>20,200</b>		<b>21,400</b>	<b>21,400</b>	
<b>9 EXPAN</b>	<b>Debt Service - Reroof Fort Boonesborough Buildings</b>								
(670CE0X01)	Provide debt service funds to support Bond Funds totaling \$500,000 to reroof Fort Boonesborough Buildings.								
<b>General Fund Total</b>							56,000	56,000	
							<b>56,000</b>	<b>56,000</b>	
<b>10 NEW</b>	<b>Wage Equity Plan</b>								
(670CA0X02)	Provide funds to support salary improvement.								
<b>General Fund Total</b>				1,361,000	118,200	(1,242,800)	2,057,000	215,500	(1,841,500)
				<b>1,361,000</b>	<b>118,200</b>	<b>(1,242,800)</b>	<b>2,057,000</b>	<b>215,500</b>	<b>(1,841,500)</b>
<b>11 EXPAN</b>	<b>General Administration &amp; Support-Capital Outlay Replacements</b>								
(670CB0X08)	Provide funds to replace out-dated capital outlay items.								
<b>Restricted Funds Total</b>	1,191,600	1,191,600							
	<b>1,191,600</b>	<b>1,191,600</b>							
<b>12 NEW</b>	<b>General Administration &amp; Support-Jenny Wiley Task Force</b>								
(670GA01)	Provide funds to preserve, fence and advertise the Jenny Wiley burial site.								
<b>General Fund Total</b>					10,000	10,000			
					<b>10,000</b>	<b>10,000</b>			
<b>13 NEW</b>	<b>Recreational Parks &amp; Historic Sites-White Hall Upgrades</b>								
(670GA03)	Provide funds for refurbishing of antiques and household items.								
<b>General Fund Total</b>					200,000	200,000			
					<b>200,000</b>	<b>200,000</b>			
<b>TOTAL ADDITIONAL</b>	<b>1,397,500</b>	<b>1,397,500</b>		<b>2,716,200</b>	<b>1,683,400</b>	<b>(1,032,800)</b>	<b>3,587,900</b>	<b>1,746,400</b>	<b>(1,841,500)</b>

## **FB 2000-2002 BUDGET MODIFICATION REPORT**

### **Parks**

#### **BRANCH BUDGET**

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

Additional Restricted Funds support totaling \$1,191,600 in FY 1999-2000 is provided to replace out-dated nonrecurring capital outlay items.

Additional Restricted Funds support totaling \$205,900 in FY 1999-2000; \$431,500 in FY 2000-2001 and \$442,500 in FY 2001-2002 is provided to support operating costs, 13 PFT, and eight interim positions for the new conference center at General Butler State Resort Park.

Wage Equity Plan funding, which includes the value of an 5% adjustment in personnel costs, supplemented with additional General Fund support totaling \$1,361,000 in FY 2000-2001 and \$2,057,000 in FY 2001-2002 is budgeted to provide a guaranteed COLA salary adjustment for each employee on July 1 each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increase in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

Additional General Fund support totaling \$154,300 in FY 2000-2001 and \$163,600 in FY 2001-2002, and Restricted Funds totaling \$749,200 in FY 2000-2001 and \$847,400 in FY 2001-2002 are provided for the following purposes: \$494,000 in FY 2000-2001 and \$526,800 in FY 2001-2002 in Restricted Funds for operating costs, 12 PFT, and ten interim positions for the new golf course at Pine Mountain State Resort Park; \$56,000 in FY 2000-2001 and \$57,000 in FY 2001-2002 in Restricted Funds for operating costs and one PFT position for the 16-room addition at the lodge at Blue Licks Battlefield State Resort Park; \$179,200 in FY 2000-2001 and \$183,600 in FY 2001-2002 in Restricted Funds for operating costs, four PFT, and three interim positions for the 30-room addition at the lodge at Dale Hollow State Resort Park; General Fund support of \$57,300 in FY 2000-2001 and \$63,200 in FY 2001-2002 and Restricted Funds support of \$10,000 in FY 2000-2001 and \$40,000 in FY 2001-2002 to support one PFT, six interim and operating expenses for the Paintsville Lake Campground; General Fund support of \$62,600 in FY 2000-2001 and \$64,000 in FY 2001-2002 and Restricted Funds support of \$10,000 in FY 2000-2001 and \$40,000 in FY 2001-2002 to support two PFT, five interim and operating expenses for the Nolin Lake Campground; and General Fund support totaling \$34,400 in FY 2000-2001 and \$36,400 in FY 2001-2002 for two PFT positions for the Perryville Battlefield State Shrine.

Additional General Fund support totaling \$20,200 in FY 2000-2001 and \$21,400 in FY 2001-2002 is provided to support a Park Ranger position at Yatesville Lake State Park.

Additional General Fund debt service totaling \$56,000 in FY 2001-2002 is provided to support Bond Funds totaling \$500,000 in FY 2000-2001 to reroof Fort buildings at Fort Boonesborough State Park.

General Fund EMPOWER Kentucky savings are budgeted in the amount of \$162,600 in FY 2000-2001 and \$667,500 in FY 2001-2002.

The Branch Budget recommends that management and funding of the State Office Building Cafeteria be assumed by the Transportation Cabinet effective July 1, 2000.

The Branch Budget Bill, Part II, Capital Projects Budget, provides funding for the following capital projects: \$4,200,000 each year of the biennium in Investment Income for maintenance and renovation projects under \$400,000 in the state parks; \$200,000 in additional General Fund support in FY 1999-2000 to upgrade the HVAC at Barren River State

## **FB 2000-2002 BUDGET MODIFICATION REPORT**

### **Parks**

Resort Park; \$2,210,000 additional Emergency Repair Replacement and Support Maintenance Funds in FY 1999-2000 for repairs of the Jefferson Davis Monument; and \$300,000 in FY 2000-2001 from the Deferred Maintenance Fund for remediation of the petroleum contamination at Natural Bridge State Resort Park.

The Branch Budget Bill, Part II, Capital Projects Budget provides reauthorization the following capital projects: Nolin Park-Campground/Infrastructure, Yatesville-Golf Course Development, Grayson Lake-Golf Course Design, Taylorsville Lake-Community Pool Design, Mineral Mound-Golf Course Development, Kincaid Lake-Golf Course Development (nine holes), Pennyrile-Golf Course Development, Dale Hollow-Golf Course Development, My Old Kentucky Home-Golf Course Development, Columbus-Belmont-Park Development, and Lake Barkley-Trap Shoot.

The Branch Budget Bill, Part II, Capital Budget, appropriates Road Fund support totaling \$2,000,000 in FY 2000-2001 and \$500,000 in FY 2001-2002 for maintenance and upgrade of Park roads and parking lots in the Transportation Cabinet, General Administration and Support budget unit.

### **GENERAL ASSEMBLY**

The General Assembly concurs with the Branch Budget with the following changes: The General Assembly provides General Fund support totaling \$200,000 in FY 2000-2001 to the White Hall State Historic Site for refurbishing of antiques and household items and \$10,000 in FY 2000-2001 to the Jenny Wiley Trail Task Force to preserve, fence, and advertise the Jenny Wiley burial site.

In, Part II, Capital Budget, the General Assembly provides the following changes: The Reauthorization for the Grayson Lake Golf Course-Design shall also include Development, the Reauthorization for the Kincaid Lake Golf Course (nine hole) shall also include park improvements and the Reauthorization for the Lake Barkley-Trap Shoot shall be replaced with Lake Barkley-Park Improvements.

In Part II, Capital Budget, the General Assembly appropriates Road Fund support totaling \$2,000,000 in FY 2000-2001 and \$1,500,000 in FY 2001-2002 for maintenance and upgrade of Park roads and parking lots in the Transportation Cabinet, General Administration and Support budget unit, and directs that included in the Road Fund support is \$375,000 in FY 2000-2001 to provide the cost of construction of an access culvert for US 68 at Blue Licks State Resort Park.

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$118,200 in FY 2000-2001 and \$215,500 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

The General Assembly adds the following Part IX, language provisions relating to the Jenny Wiley Trail Task Force, Golf Course Construction Reports, and Entrance to E. P. "Tom" Sawyer State Park to read as follows:

a) Jenny Wiley Trail Task Force: The Jenny Wiley Trail Task Force shall continue to maintain and manage the Jenny Wiley Trail. The Task Force shall provide a progress report to the Legislative Research Commission for referral to the appropriate committees by December first of each year.

**FB 2000-2002**  
**BUDGET MODIFICATION REPORT**

**Parks**

b) Golf Course Construction Reports: The Department of Parks shall provide a biannual status report to the Legislative Research Commission for referral to the appropriate committees summarizing the progress of the Golf Course Construction projects.

c) Entrance to E. P. "Tom" Sawyer State Park: The Department of Parks is prohibited from permitting the Transportation Cabinet from constructing a new entrance to E. P. "Tom" Sawyer State Park from either Lakeland Road or Old Whipps Mill Road.



**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY**

**Governmental Branch:** Executive Branch  
**Cabinet/Function:** Tourism Development

**Agency:** Tourism Development  
**Appropriation Unit:** Parks

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. CAPITAL PROJECT RECAP BY FUND SOURCE</b>									
General Fund	200,000	200,000							
Bond Funds				500,000	500,000				
Investment Income				4,200,000	4,200,000		4,200,000	4,200,000	
Deferred Maintenance				300,000	300,000				
Emer. Repair & Maint.	2,210,000	2,210,000							
<b>TOTAL CAPITAL</b>	<b>2,410,000</b>	<b>2,410,000</b>		<b>5,000,000</b>	<b>5,000,000</b>		<b>4,200,000</b>	<b>4,200,000</b>	
<b>II. CAPITAL PROJECTS</b>									
<b>1</b> (6700392) <b>Maintenance Pool</b>									
<b>Investment Income</b>				4,200,000	4,200,000		4,200,000	4,200,000	
<b>Total</b>				<b>4,200,000</b>	<b>4,200,000</b>		<b>4,200,000</b>	<b>4,200,000</b>	
<b>2</b> (6700374) <b>Jefferson Davis Monument-Repairs</b>									
<b>Emer. Repair &amp; Maint.</b>	2,210,000	2,210,000							
<b>Total</b>	<b>2,210,000</b>	<b>2,210,000</b>							
<b>3</b> (6700337) <b>Yatesville Lake-Golf Course Development-Reauthorization</b>									
<b>Total</b>									
<b>4</b> (6700378) <b>Dale Hollow-Golf Course Development-Reauthorization</b>									
<b>Total</b>									
<b>5</b> (6700375) <b>Mineral Mound-Golf Course Development-Reauthorization</b>									
<b>Total</b>									
<b>6</b> (6700377) <b>Pennyrile-Golf Course Development-Reauthorization</b>									
<b>Total</b>									
<b>7</b> (6700376) <b>Kincaid Lake-Golf Course Development (nine holes)-Reauth.: GA-Adds other park improvements</b>									
<b>Total</b>									

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY**

Governmental Branch: Executive Branch

Agency: Tourism Development

Cabinet/Function: Tourism Development

Appropriation Unit: Parks

FY 1999-2000			FY 2000-2001			FY 2001-2002		
Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference

**II. CAPITAL PROJECTS**

**8** (6700397) **My Old KY Home-Golf Course Development-Reauthorization**

**Total**

**9** (6700367) **Grayson Lake-Golf Course Design-Reauthorization: GA-Adds development**

**Total**

**10** (6700368) **Taylorsville Lake-Community Pool Design-Reauthorization**

**Total**

**11** (6700407) **Columbus-Belmont-Park Development-Reauthorization**

**Total**

**12** (6700414) **Lake Barkley-Trapp Shoot-Reauthorization: GA-Park improvements**

**Total**

**13** (6700412) **Fort Boonesborough-Reroof Fort Buildings**

<b>Bond Funds</b>	500,000	500,000
<b>Total</b>	<b>500,000</b>	<b>500,000</b>

**14** (6700301) **Natural Bridge-Remediation Petroleum Contamination**

<b>Deferred Maintenance</b>	300,000	300,000
<b>Total</b>	<b>300,000</b>	<b>300,000</b>

**15** (6700001) **Barren River HVAC Upgrade**

<b>General Fund</b>	200,000	200,000
<b>Total</b>	<b>200,000</b>	<b>200,000</b>

**16** (6700003) **Nolin Lake-Campground/Infrastructure-Reauthorization**

**Total**

<b>TOTAL</b>	<b>2,410,000</b>	<b>2,410,000</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>4,200,000</b>	<b>4,200,000</b>
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**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch  
**Cabinet/Function:** Tourism Development

**Agency:** Tourism Development  
**Appropriation Unit:** Kentucky Horse Park

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	1,632,000	1,632,000		1,446,300	1,378,000	(68,300)	1,730,500	1,680,700	(49,800)
Restricted Funds	4,777,000	4,777,000		4,917,000	4,917,000		4,960,100	4,960,100	
<b>Regular Total Funds</b>	<b>6,409,000</b>	<b>6,409,000</b>		<b>6,363,300</b>	<b>6,295,000</b>	<b>(68,300)</b>	<b>6,690,600</b>	<b>6,640,800</b>	<b>(49,800)</b>
General Fund Continuing									
<b>GRAND TOTAL FUNDS</b>	<b>6,409,000</b>	<b>6,409,000</b>		<b>6,363,300</b>	<b>6,295,000</b>	<b>(68,300)</b>	<b>6,690,600</b>	<b>6,640,800</b>	<b>(49,800)</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	3,774,000	3,774,000		3,989,300	3,909,000	(80,300)	4,261,600	4,156,800	(104,800)
Operating Expenses	2,551,000	2,551,000		2,290,000	2,302,000	12,000	2,345,000	2,357,000	12,000
Debt Service								43,000	43,000
Capital Outlay	84,000	84,000		84,000	84,000		84,000	84,000	
<b>TOTAL EXPENDITURES</b>	<b>6,409,000</b>	<b>6,409,000</b>		<b>6,363,300</b>	<b>6,295,000</b>	<b>(68,300)</b>	<b>6,690,600</b>	<b>6,640,800</b>	<b>(49,800)</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	1,632,000	1,632,000		1,352,300	1,352,300		1,604,000	1,604,000	
Restricted Funds	4,777,000	4,777,000		4,917,000	4,917,000		4,960,100	4,960,100	
<b>Regular Total Funds</b>	<b>6,409,000</b>	<b>6,409,000</b>		<b>6,269,300</b>	<b>6,269,300</b>		<b>6,564,100</b>	<b>6,564,100</b>	
General Fund Continuing									
<b>TOTAL BASE LEVEL</b>	<b>6,409,000</b>	<b>6,409,000</b>		<b>6,269,300</b>	<b>6,269,300</b>		<b>6,564,100</b>	<b>6,564,100</b>	
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				94,000	25,700	(68,300)	126,500	76,700	(49,800)
<b>TOTAL ADDITIONAL</b>				<b>94,000</b>	<b>25,700</b>	<b>(68,300)</b>	<b>126,500</b>	<b>76,700</b>	<b>(49,800)</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 NEW</b>	<b>Wage Equity Plan</b>								
(665NA0X06)	Provide funds to support salary improvement.								
<b>General Fund</b>				94,000	13,700	(80,300)	126,500	21,700	(104,800)
<b>Total</b>				<b>94,000</b>	<b>13,700</b>	<b>(80,300)</b>	<b>126,500</b>	<b>21,700</b>	<b>(104,800)</b>
<b>2 NEW</b>	<b>Operations - Lease agreement.</b>								
(665GA01)	Provides funds to support settlement on Lease agreement.								
<b>General Fund</b>					12,000	12,000		12,000	12,000
<b>Total</b>					<b>12,000</b>	<b>12,000</b>		<b>12,000</b>	<b>12,000</b>

FB 2000-2002 FINAL BUDGET MEMORANDUM  
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch:

Executive Branch

Cabinet/Function:

Tourism Development

Agency:

Tourism Development

Appropriation Unit:

Kentucky Horse Park

FY 1999-2000			FY 2000-2001			FY 2001-2002		
Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
V. ADDITIONAL BUDGET ITEMS								
3	NEW	Debt Service - Muck Processing Facility						
(665GA02)	Provide debt service funds to support Bond Funds totaling \$375,000 in FY 2000-2001.							
General Fund							43,000	43,000
Total							43,000	43,000
TOTAL ADDITIONAL			94,000	25,700	(68,300)	126,500	76,700	(49,800)

## **FB 2000-2002 BUDGET MODIFICATION REPORT**

### **Kentucky Horse Park**

#### **BRANCH BUDGET**

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exception:

Wage Equity Plan funding, which includes the value of an 5% adjustment in personnel costs, supplemented with additional General Fund support totaling \$94,000 in FY 2000-2001 and \$126,500 in FY 2001-2002 is budgeted to provide a guaranteed COLA salary adjustment for each employee on July 1 each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increase in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

General Fund EMPOWER Kentucky savings are budgeted in the amount of \$9,700 in FY 2000-2001 and \$39,600 in FY 2001-200

The Branch Budget Bill, Part II, Capital Projects Budget provides funding for the following capital projects: General Fund support totaling \$375,000 in FY 2000-2001 for a Muck Processing Facility and Investment Income support totaling \$375,000 in FY 2000-2001 and \$475,000 in FY 2001-2002 for Maintenance Pool Projects.

#### **GENERAL ASSEMBLY**

The General Assembly concurs with the Branch Budget with the following changes: The General Assembly provides additional General Fund support totaling \$12,000 in each fiscal year of the biennium to support a settlement on the lease agreement.

The General Assembly provides additional debt service in the amount of \$43,000 to support Bond Funds totaling \$375,000 in FY 2000-2001 in Part II, Capital Projects Budget, for a Muck Processing Facility.

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$13,700 in FY 2000-2001 and \$21,700 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

The General Assembly adds the following Part IX language provision: Leasing of Horse Park Property: No group which leases portions of the Horse Park property for recreational purposes for a nominal fee may sublet any portion of the leased property to another group for recreational purposes for any more than a nominal fee.

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY**

**Governmental Branch:** Executive Branch  
**Cabinet/Function:** Tourism Development

**Agency:** Tourism Development  
**Appropriation Unit:** Kentucky Horse Park

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. CAPITAL PROJECT RECAP BY FUND SOURCE</b>									
General Fund				375,000		(375,000)			
Bond Funds					375,000	375,000			
Investment Income				375,000	375,000		475,000	475,000	
<b>TOTAL CAPITAL</b>				<b>750,000</b>	<b>750,000</b>		<b>475,000</b>	<b>475,000</b>	
<b>II. CAPITAL PROJECTS</b>									
<b>1 (6650279) Maintenance Pool</b>									
Investment Income				375,000	375,000		475,000	475,000	
<b>Total</b>				<b>375,000</b>	<b>375,000</b>		<b>475,000</b>	<b>475,000</b>	
<b>2 (6650277) Muck Processing Facility</b>									
General Fund				375,000		(375,000)			
Bond Funds					375,000	375,000			
<b>Total</b>				<b>375,000</b>	<b>375,000</b>				
<b>TOTAL</b>				<b>750,000</b>	<b>750,000</b>		<b>475,000</b>	<b>475,000</b>	

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch  
**Cabinet/Function:** Tourism Development

**Agency:** Tourism Development  
**Appropriation Unit:** Kentucky State Fair Board

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	407,000	407,000		407,000	407,000		407,000	407,000	
Restricted Funds	27,518,200	27,518,200		27,952,200	27,952,200		28,972,500	28,972,500	
<b>Regular Total Funds</b>	<b>27,925,200</b>	<b>27,925,200</b>		<b>28,359,200</b>	<b>28,359,200</b>		<b>29,379,500</b>	<b>29,379,500</b>	
General Fund Continuing									
<b>GRAND TOTAL FUNDS</b>	<b>27,925,200</b>	<b>27,925,200</b>		<b>28,359,200</b>	<b>28,359,200</b>		<b>29,379,500</b>	<b>29,379,500</b>	
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	15,091,000	15,091,000		15,515,300	15,515,300		16,169,000	16,169,000	
Operating Expenses	10,394,500	10,394,500		10,730,200	10,730,200		10,893,300	10,893,300	
Grants, Loans, Benefits	1,424,400	1,424,400		1,479,200	1,479,200		1,535,700	1,535,700	
Debt Service	371,000	371,000		371,000	371,000		371,000	371,000	
Capital Outlay	644,300	644,300		263,500	263,500		410,500	410,500	
<b>TOTAL EXPENDITURES</b>	<b>27,925,200</b>	<b>27,925,200</b>		<b>28,359,200</b>	<b>28,359,200</b>		<b>29,379,500</b>	<b>29,379,500</b>	
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	407,000	407,000		407,000	407,000		407,000	407,000	
Restricted Funds	27,518,200	27,518,200		27,727,900	27,952,200	224,300	28,589,100	28,972,500	383,400
<b>Regular Total Funds</b>	<b>27,925,200</b>	<b>27,925,200</b>		<b>28,134,900</b>	<b>28,359,200</b>	<b>224,300</b>	<b>28,996,100</b>	<b>29,379,500</b>	<b>383,400</b>
General Fund Continuing									
<b>TOTAL BASE LEVEL</b>	<b>27,925,200</b>	<b>27,925,200</b>		<b>28,134,900</b>	<b>28,359,200</b>	<b>224,300</b>	<b>28,996,100</b>	<b>29,379,500</b>	<b>383,400</b>
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
Restricted Funds				224,300		(224,300)	383,400		(383,400)
<b>TOTAL ADDITIONAL</b>				<b>224,300</b>		<b>(224,300)</b>	<b>383,400</b>		<b>(383,400)</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 NEW Wage Equity Plan</b>									
(235MA0X02) Provide funds to support salary improvement.									
<b>Restricted Funds</b>				224,300		(224,300)	383,400		(383,400)
<b>Total</b>				<b>224,300</b>		<b>(224,300)</b>	<b>383,400</b>		<b>(383,400)</b>
<b>TOTAL ADDITIONAL</b>				<b>224,300</b>		<b>(224,300)</b>	<b>383,400</b>		<b>(383,400)</b>

## **FB 2000-2002 BUDGET MODIFICATION REPORT**

### **Kentucky State Fair Board**

#### **BRANCH BUDGET**

The Branch Budget recommends funding for existing services and programs in FB 2000-2002.

The Branch Budget Bill, Part I, Operating Budget, appropriates General Fund support totaling \$407,000 in each year of the biennium for the North American International Livestock Exposition.

The Branch Budget Bill, Part I, Operating Budget, appropriates Restricted Funds support totaling \$371,000 in each year of FB 2000-2002 for Project 55 debt service payments.

Restricted Fund EMPOWER Kentucky savings are budgeted in the amount of \$90,100 in FY 2000-2001 and \$206,400 in FY 2001-2002.

Wage Equity Plan funding, which includes the value of an 5% adjustment in personnel costs, supplemented with additional Restricted Fund support totaling \$224,300 in FY 2000-2001 and \$383,400 in FY 2001-2002 is budgeted to provide a guaranteed COLA salary adjustment for each employee on July 1 each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increase in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

The Branch Budget Bill, Part II, Capital Projects Budget provides Restricted Funds support for the following capital projects: \$800,000 in FY 2000-2001 for Roof Replacement; \$800,000 in FY 2000-2001 to refurbish seats at Freedom Hall; \$1,250,000 in FY 2001-2002 for Portable Trailers in Freedom Hall, and \$1,000,000 each year of the biennium for the Maintenance Pool.

#### **GENERAL ASSEMBLY**

The General Assembly concurs with the Branch Budget with the following change:

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. Funds are provided for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.



**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY**

**Governmental Branch:** Executive Branch  
**Cabinet/Function:** Tourism Development

**Agency:** Tourism Development  
**Appropriation Unit:** Kentucky State Fair Board

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. CAPITAL PROJECT RECAP BY FUND SOURCE</b>									
Restricted Funds				2,600,000	2,600,000		2,250,000	2,250,000	
<b>TOTAL CAPITAL</b>				<b>2,600,000</b>	<b>2,600,000</b>		<b>2,250,000</b>	<b>2,250,000</b>	
<b>II. CAPITAL PROJECTS</b>									
<b>1</b> (2350291) <b>Roof Replacement</b>									
Restricted Funds				800,000	800,000				
<b>Total</b>				<b>800,000</b>	<b>800,000</b>				
<b>2</b> (2350292) <b>Freedom Hall-Refurbish Seats</b>									
Restricted Funds				800,000	800,000				
<b>Total</b>				<b>800,000</b>	<b>800,000</b>				
<b>3</b> (2350294) <b>Freedom Hall-Portable Trailers</b>									
Restricted Funds							1,250,000	1,250,000	
<b>Total</b>							<b>1,250,000</b>	<b>1,250,000</b>	
<b>4</b> (2350293) <b>Maintenance Pool</b>									
Restricted Funds				1,000,000	1,000,000		1,000,000	1,000,000	
<b>Total</b>				<b>1,000,000</b>	<b>1,000,000</b>		<b>1,000,000</b>	<b>1,000,000</b>	
<b>TOTAL</b>				<b>2,600,000</b>	<b>2,600,000</b>		<b>2,250,000</b>	<b>2,250,000</b>	

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**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch  
**Cabinet/Function:** Tourism Development

**Agency:** Tourism Development  
**Appropriation Unit:** Fish and Wildlife Resources

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
Restricted Funds	24,492,500	24,492,500		25,250,500	25,250,500		26,015,600	26,015,600	
Federal Funds	7,331,500	7,331,500		7,000,000	7,000,000		7,000,000	7,000,000	
<b>Regular Total Funds</b>	<b>31,824,000</b>	<b>31,824,000</b>		<b>32,250,500</b>	<b>32,250,500</b>		<b>33,015,600</b>	<b>33,015,600</b>	
General Fund Continuing									
<b>GRAND TOTAL FUNDS</b>	<b>31,824,000</b>	<b>31,824,000</b>		<b>32,250,500</b>	<b>32,250,500</b>		<b>33,015,600</b>	<b>33,015,600</b>	
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	23,515,400	23,515,400		24,317,500	24,317,500		25,513,900	25,513,900	
Operating Expenses	6,489,700	6,489,700		6,404,600	6,404,600		6,358,000	6,358,000	
Capital Outlay	1,818,900	1,818,900		1,528,400	1,528,400		1,143,700	1,143,700	
<b>TOTAL EXPENDITURES</b>	<b>31,824,000</b>	<b>31,824,000</b>		<b>32,250,500</b>	<b>32,250,500</b>		<b>33,015,600</b>	<b>33,015,600</b>	
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
Restricted Funds	24,492,500	24,492,500		24,851,500	25,250,500	399,000	25,562,200	26,015,600	453,400
Federal Funds	7,331,500	7,331,500		7,000,000	7,000,000		7,000,000	7,000,000	
<b>Regular Total Funds</b>	<b>31,824,000</b>	<b>31,824,000</b>		<b>31,851,500</b>	<b>32,250,500</b>	<b>399,000</b>	<b>32,562,200</b>	<b>33,015,600</b>	<b>453,400</b>
General Fund Continuing									
<b>TOTAL BASE LEVEL</b>	<b>31,824,000</b>	<b>31,824,000</b>		<b>31,851,500</b>	<b>32,250,500</b>	<b>399,000</b>	<b>32,562,200</b>	<b>33,015,600</b>	<b>453,400</b>
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
Restricted Funds				399,000		(399,000)	453,400		(453,400)
<b>TOTAL ADDITIONAL</b>				<b>399,000</b>		<b>(399,000)</b>	<b>453,400</b>		<b>(453,400)</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 NEW Wage Equity Plan</b>									
(660DA0X01) Provide funds to support salary improvement.									
<b>Restricted Funds</b>				399,000		(399,000)	453,400		(453,400)
<b>Total</b>				<b>399,000</b>		<b>(399,000)</b>	<b>453,400</b>		<b>(453,400)</b>
<b>TOTAL ADDITIONAL</b>				<b>399,000</b>		<b>(399,000)</b>	<b>453,400</b>		<b>(453,400)</b>

## **FB 2000-2002 BUDGET MODIFICATION REPORT**

### **Fish and Wildlife Resources**

#### **BRANCH BUDGET**

The Branch Budget recommends funding for existing services and programs in FB 2000-2002.

Restricted Fund EMPOWER Kentucky savings are budgeted in the amount of \$51,900 in FY 2000-2001 and \$158,900 in FY 2001-2002.

Wage Equity Plan funding, which includes the value of an 5% adjustment in personnel costs, supplemented with additional Restricted Fund support totaling \$399,000 in FY 2000-2001 and \$453,400 in FY 2001-2002 is budgeted to provide a guaranteed COLA salary adjustment for each employee on July 1 each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increase in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

The Branch Budget Bill, Part II, Capital Projects Budget, provides Restricted Funds support totaling \$500,000 each fiscal year for Land Acquisition and \$200,000 each fiscal year for the Maintenance Pool.

#### **GENERAL ASSEMBLY**

The General Assembly concurs with the Branch Budget with the following change:

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. Funds are provided for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY**

**Governmental Branch:** Executive Branch  
**Cabinet/Function:** Tourism Development

**Agency:** Tourism Development  
**Appropriation Unit:** Fish and Wildlife Resources

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. CAPITAL PROJECT RECAP BY FUND SOURCE</b>									
Restricted Funds				700,000	700,000		700,000	700,000	
<b>TOTAL CAPITAL</b>				<b>700,000</b>	<b>700,000</b>		<b>700,000</b>	<b>700,000</b>	
<b>II. CAPITAL PROJECTS</b>									
<b>1 (6600282) Land Acquisition</b>									
Restricted Funds				500,000	500,000		500,000	500,000	
<b>Total</b>				<b>500,000</b>	<b>500,000</b>		<b>500,000</b>	<b>500,000</b>	
<b>2 (6600283) Maintenance Pool</b>									
Restricted Funds				200,000	200,000		200,000	200,000	
<b>Total</b>				<b>200,000</b>	<b>200,000</b>		<b>200,000</b>	<b>200,000</b>	
<b>TOTAL</b>				<b>700,000</b>	<b>700,000</b>		<b>700,000</b>	<b>700,000</b>	

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**FB 2000-2002 COMMONWEALTH BUDGET  
FINAL BUDGET MEMORANDUM**

**TRANSPORTATION**

**JUNE 7, 2000**

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**FB 2000-2002 FINAL BUDGET MEMORANDUM  
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY  
GENERAL FUND BY BUDGET UNIT**

**Cabinet/Function: Transportation**

	<b>FY 1999-2000 Budget</b>	<b>FY 2000-2001</b>			<b>FY 2001-2002</b>		
		<b>Branch</b>	<b>General Assembly</b>	<b>Difference</b>	<b>Branch</b>	<b>General Assembly</b>	<b>Difference</b>
Air Transportation	2,267,000						
Rail Transportation	72,000	75,300	75,300		78,100	78,100	
Public Transportation	4,007,000	5,047,500	6,786,100	1,738,600	5,199,100	6,019,100	820,000
<b>Operating Budget Subtotal</b>	<b>6,346,000</b>	<b>5,122,800</b>	<b>6,861,400</b>	<b>1,738,600</b>	<b>5,277,200</b>	<b>6,097,200</b>	<b>820,000</b>
<b>Continuing Appropriations</b>							
Air Transportation	2,310,100						
Public Transportation	1,578,100						
<b>Operating Budget Total</b>	<b>10,234,200</b>	<b>5,122,800</b>	<b>6,861,400</b>	<b>1,738,600</b>	<b>5,277,200</b>	<b>6,097,200</b>	<b>820,000</b>

*Note: FY 1999-2000 Budget includes any supplemental appropriations, as provided by the 2000 General Assembly.*

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**  
**RESTRICTED FUNDS BY BUDGET UNIT**

**Cabinet/Function: Transportation**

	<b>FY 1999-2000 Budget</b>	<b>FY 2000-2001</b>			<b>FY 2001-2002</b>		
		<b>Branch</b>	<b>General Assembly</b>	<b>Difference</b>	<b>Branch</b>	<b>General Assembly</b>	<b>Difference</b>
Air Transportation	30,500	11,631,200	5,531,200	(6,100,000)	11,632,200	5,532,200	(6,100,000)
Public Transportation	686,100	829,600	829,600		858,300	858,300	
Highways	194,523,000	61,224,000	61,224,000		62,494,400	62,494,400	
Vehicle Regulation	2,861,000	2,925,000	2,925,000		2,977,400	2,975,600	(1,800)
General Administration and Support	24,554,300	23,953,400	23,953,400		22,819,200	22,819,200	
<b>Operating Budget Total</b>	<b>222,654,900</b>	<b>100,563,200</b>	<b>94,463,200</b>	<b>(6,100,000)</b>	<b>100,781,500</b>	<b>94,679,700</b>	<b>(6,101,800)</b>

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**  
**FEDERAL FUNDS BY BUDGET UNIT**

**Cabinet/Function: Transportation**

	<b>FY 1999-2000 Budget</b>	<b>FY 2000-2001</b>		<b>FY 2001-2002</b>		
		<b>Branch</b>	<b>General Assembly</b>	<b>Difference</b>	<b>Branch</b>	<b>General Assembly</b>
Air Transportation	359,000	209,000	8,286,600	8,077,600	209,000	8,286,600
Public Transportation	5,102,000	7,740,000	7,740,000		8,044,000	8,044,000
Highways	382,602,500	486,500,000	486,500,000		495,300,000	495,300,000
Vehicle Regulation	1,925,000	2,225,000	2,225,000		2,225,000	2,225,000
<b>Operating Budget Total</b>	<b>389,988,500</b>	<b>496,674,000</b>	<b>504,751,600</b>	<b>8,077,600</b>	<b>505,778,000</b>	<b>513,855,600</b>

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**  
**ROAD FUND BY BUDGET UNIT**

**Cabinet/Function: Transportation**

	<b>FY 1999-2000 Budget</b>	<b>FY 2000-2001</b>			<b>FY 2001-2002</b>		
		<b>Branch</b>	<b>General Assembly</b>	<b>Difference</b>	<b>Branch</b>	<b>General Assembly</b>	<b>Difference</b>
Revenue Sharing	206,475,300	217,866,000	217,866,000		222,637,800	222,637,800	
Highways	587,013,200	691,578,000	614,124,100	(77,453,900)	793,112,100	628,911,200	(164,200,900)
Vehicle Regulation	29,821,000	29,926,300	29,193,200	(733,100)	31,649,300	30,009,100	(1,640,200)
Debt Service	168,633,500	167,275,700	167,275,700		169,854,300	169,854,300	
General Administration and Support	61,886,700	66,916,800	66,261,800	(655,000)	71,583,100	71,342,200	(240,900)
<b>Operating Budget Total</b>	<b>1,053,829,700</b>	<b>1,173,562,800</b>	<b>1,094,720,800</b>	<b>(78,842,000)</b>	<b>1,288,836,600</b>	<b>1,122,754,600</b>	<b>(166,082,000)</b>

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**  
**TOTAL FUNDS BY BUDGET UNIT**

**Cabinet/Function: Transportation**

	<b>FY 1999-2000 Budget</b>	<b>FY 2000-2001</b>			<b>FY 2001-2002</b>		
		<b>Branch</b>	<b>General Assembly</b>	<b>Difference</b>	<b>Branch</b>	<b>General Assembly</b>	<b>Difference</b>
Air Transportation	2,656,500	11,840,200	13,817,800	1,977,600	11,841,200	13,818,800	1,977,600
Revenue Sharing	206,475,300	217,866,000	217,866,000		222,637,800	222,637,800	
Rail Transportation	72,000	75,300	75,300		78,100	78,100	
Public Transportation	9,795,100	13,617,100	15,355,700	1,738,600	14,101,400	14,921,400	820,000
Highways	1,164,138,700	1,239,302,000	1,161,848,100	(77,453,900)	1,350,906,500	1,186,705,600	(164,200,900)
Vehicle Regulation	34,607,000	35,076,300	34,343,200	(733,100)	36,851,700	35,209,700	(1,642,000)
Debt Service	168,633,500	167,275,700	167,275,700		169,854,300	169,854,300	
General Administration and Support	86,441,000	90,870,200	90,215,200	(655,000)	94,402,300	94,161,400	(240,900)
<b>Operating Budget Subtotal</b>	<b>1,672,819,100</b>	<b>1,775,922,800</b>	<b>1,700,797,000</b>	<b>(75,125,800)</b>	<b>1,900,673,300</b>	<b>1,737,387,100</b>	<b>(163,286,200)</b>
<b>Continuing Appropriations</b>							
Air Transportation	2,310,100						
Public Transportation	1,578,100						
<b>Operating Budget Total</b>	<b>1,676,707,300</b>	<b>1,775,922,800</b>	<b>1,700,797,000</b>	<b>(75,125,800)</b>	<b>1,900,673,300</b>	<b>1,737,387,100</b>	<b>(163,286,200)</b>

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**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch  
**Cabinet/Function:** Transportation

**Agency:** Summary  
**Appropriation Unit:**

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	6,346,000	6,346,000		5,122,800	6,861,400	1,738,600	5,277,200	6,097,200	820,000
Restricted Funds	222,654,900	222,654,900		100,563,200	94,463,200	(6,100,000)	100,781,500	94,679,700	(6,101,800)
Federal Funds	389,988,500	389,988,500		496,674,000	504,751,600	8,077,600	505,778,000	513,855,600	8,077,600
Road Fund	1,053,829,700	1,053,829,700		1,173,562,800	1,094,720,800	(78,842,000)	1,288,836,600	1,122,754,600	(166,082,000)
<b>Regular Total Funds</b>	<b>1,672,819,100</b>	<b>1,672,819,100</b>		<b>1,775,922,800</b>	<b>1,700,797,000</b>	<b>(75,125,800)</b>	<b>1,900,673,300</b>	<b>1,737,387,100</b>	<b>(163,286,200)</b>
General Fund Continuing	3,888,200	3,888,200							
<b>GRAND TOTAL FUNDS</b>	<b>1,676,707,300</b>	<b>1,676,707,300</b>		<b>1,775,922,800</b>	<b>1,700,797,000</b>	<b>(75,125,800)</b>	<b>1,900,673,300</b>	<b>1,737,387,100</b>	<b>(163,286,200)</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	281,999,400	281,999,400		300,385,900	297,495,800	(2,890,100)	313,043,800	308,790,600	(4,253,200)
Operating Expenses	158,465,554	158,465,554		206,188,500	205,721,600	(466,900)	205,849,000	205,289,200	(559,800)
Grants, Loans, Benefits	126,772,100	126,772,100		141,611,200	145,327,400	3,716,200	145,099,200	147,896,800	2,797,600
Debt Service	178,321,900	178,321,900		174,127,700	174,127,700		179,545,300	179,545,300	
Capital Outlay	13,579,500	13,579,500		12,227,200	11,942,200	(285,000)	14,395,800	13,395,800	(1,000,000)
Construction	917,568,846	917,568,846		941,382,300	866,182,300	(75,200,000)	1,042,740,200	882,469,400	(160,270,800)
<b>TOTAL EXPENDITURES</b>	<b>1,676,707,300</b>	<b>1,676,707,300</b>		<b>1,775,922,800</b>	<b>1,700,797,000</b>	<b>(75,125,800)</b>	<b>1,900,673,300</b>	<b>1,737,387,100</b>	<b>(163,286,200)</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	6,346,000	6,346,000		4,312,800	4,312,800		4,367,200	4,367,200	
Restricted Funds	222,654,900	222,654,900		88,717,300	88,717,300		88,555,800	88,555,800	
Federal Funds	389,988,500	389,988,500		496,674,000	496,674,000		505,778,000	505,778,000	
Road Fund	1,053,829,700	1,053,829,700		1,072,124,700	1,072,124,700		1,094,861,400	1,094,861,400	
<b>Regular Total Funds</b>	<b>1,672,819,100</b>	<b>1,672,819,100</b>		<b>1,661,828,800</b>	<b>1,661,828,800</b>		<b>1,693,562,400</b>	<b>1,693,562,400</b>	
General Fund Continuing	3,888,200	3,888,200							
<b>TOTAL BASE LEVEL</b>	<b>1,676,707,300</b>	<b>1,676,707,300</b>		<b>1,661,828,800</b>	<b>1,661,828,800</b>		<b>1,693,562,400</b>	<b>1,693,562,400</b>	
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				810,000	2,548,600	1,738,600	910,000	1,730,000	820,000
Restricted Funds				11,845,900	5,745,900	(6,100,000)	12,225,700	6,123,900	(6,101,800)
Federal Funds					8,077,600	8,077,600		8,077,600	8,077,600
Road Fund				101,438,100	22,596,100	(78,842,000)	193,975,200	27,893,200	(166,082,000)
<b>TOTAL ADDITIONAL</b>				<b>114,094,000</b>	<b>38,968,200</b>	<b>(75,125,800)</b>	<b>207,110,900</b>	<b>43,824,700</b>	<b>(163,286,200)</b>

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**  
**ROAD FUND SUMMARY**

**Governmental Branch: Executive**  
**Cabinet/Function: Transportation**

**Agency:**  
**Unit:**

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch	General Assembly	Difference	Branch	General Assembly	Difference	Branch	General Assembly	Difference
<b>RESOURCES</b>									
Road Fund Surplus	41,002,900	41,002,900		18,823,900	18,823,900		1,616,400	1,616,400	
Revenue Receipts/Estimates	1,086,962,900	1,086,962,900		1,123,210,300	1,123,210,300		1,163,161,200	1,163,161,200	
Transfer - Tax Refund	(14,847,200)	(14,847,200)							
Non Revenue Receipts	125,000	125,000		125,000	125,000		125,000	125,000	
New Revenue Initiative				78,522,000		(78,522,000)	167,242,000		(167,242,000)
<b>TOTAL RESOURCES</b>	<b>1,113,243,600</b>	<b>1,113,243,600</b>		<b>1,220,681,200</b>	<b>1,142,159,200</b>	<b>(78,522,000)</b>	<b>1,332,144,600</b>	<b>1,164,902,600</b>	<b>(167,242,000)</b>
<b>APPROPRIATIONS/EXPENDITURES</b>									
<b>TRANSPORTATION CABINET</b>									
General Administration & Support	61,886,700	61,886,700		66,916,800	66,261,800	(655,000)	71,583,100	71,342,200	(240,900)
Revenue Sharing	206,475,300	206,475,300		217,866,000	217,866,000		222,637,800	222,637,800	
Highways	587,013,200	587,013,200		691,578,000	614,124,100	(77,453,900)	793,112,100	628,911,200	(164,200,900)
Vehicle Regulation	29,821,000	29,821,000		29,926,300	29,193,200	(733,100)	31,649,300	30,009,100	(1,640,200)
Judgments									
Veh. Reg. Current Year Approp.									
Debt Service	168,633,500	168,633,500		167,275,700	167,275,700		169,854,300	169,854,300	
Capital Budget	8,843,000	8,843,000		10,050,000	10,370,000	320,000	7,814,000	6,654,000	(1,160,000)
<b>TOTAL-TRANSPORTATION</b>	<b>1,062,672,700</b>	<b>1,062,672,700</b>		<b>1,183,612,800</b>	<b>1,105,090,800</b>	<b>(78,522,000)</b>	<b>1,296,650,600</b>	<b>1,129,408,600</b>	<b>(167,242,000)</b>
<b>REVENUE CABINET</b>	1,352,000	1,352,000		1,385,000	1,385,000		1,418,000	1,418,000	
<b>FINANCE CABINET</b>	395,000	395,000		402,000	402,000		408,000	408,000	
<b>OFF BUDGET TRANSFERS</b>				3,665,000	3,665,000		3,668,000	3,668,000	
<b>JUSTICE CABINET</b>	30,000,000	30,000,000		30,000,000	30,000,000		30,000,000	30,000,000	
<b>TOTAL APPROP./EXPEND.'S</b>	<b>1,094,419,700</b>	<b>1,094,419,700</b>		<b>1,219,064,800</b>	<b>1,140,542,800</b>	<b>(78,522,000)</b>	<b>1,332,144,600</b>	<b>1,164,902,600</b>	<b>(167,242,000)</b>
<b>Effect of Net Chg. In Carry Forward</b>									
<b>UNDESIGNATED BALANCE</b>	<b>18,823,900</b>	<b>18,823,900</b>		<b>1,616,400</b>	<b>1,616,400</b>				



## FB 2000-2002 BUDGET MODIFICATION REPORT

### Transportation Cabinet

#### BRANCH BUDGET

##### Road Fund Budget Reduction Plan

The Branch Budget Bill, Part VII, Road Fund Budget Reduction Plan, includes language provision that directs, pursuant to KRS 48.130, there is established a Road Fund Budget Reduction Plan for fiscal year 2000-2001 and fiscal year 2001-2002. In the event of an actual or projected deficit in Road Fund revenue receipts of five percent (5%) or less than the revenue estimates of \$1,123,210,300 in fiscal year 2000-2001 and \$1,163,161,200 in fiscal year 2001-2002 as determined under KRS 48.120(3), the Governor shall implement sufficient reductions as may be required to protect the highest possible level of service in accordance with KRS 48.130. No budget revision action shall be taken in excess of the actual or projected deficit.

##### Road Fund Surplus Expenditure Plan

The Branch Budget Bill, Part VIII, Road Fund Surplus Expenditure Plan, includes language provision that directs, notwithstanding KRS 48.140 and pursuant to KRS 48.710, there is established a plan of expenditures from the Road Fund Surplus Account in excess of \$18,823,900 in FY 1999-2000 and \$1,616,400 in FY 2000-2001 as provided in the enacted Road Fund budget. All moneys in the Road Fund Surplus Account shall be deposited in the State Construction Account and utilized to support projects in the 2000-2002 Biennial Highway Construction Program.

The Branch Budget Bill, Part IX, Special Provisions, includes language provisions relating to Transportation Cabinet Office Building Provisions, State Match Provisions, Excess Debt Service/Lease-Rental Appropriations, Federal Aid Highway Funds, and Demonstration Projects as follows:

**Transportation Cabinet Office Building Provisions:** The Transportation Cabinet shall relinquish the rights to the existing State Office Building in return for the General Fund-supported previously authorized but unissued \$18,900,000 bonds that are reauthorized in Part II, Section P, 1.k. of this Act. The General Assembly declares that the new Transportation Cabinet Office Building shall be owned by the Transportation Cabinet and that any surplus bond proceeds or debt service appropriations shall be deposited in the State Construction Account. Any revenue generated from the leasing of office space in the new Transportation Cabinet Office Building shall be deposited in the Road Fund.

**State Match Provisions:** The Transportation Cabinet is authorized to utilize state construction moneys to match federal highway moneys in the event that unanticipated additional federal funds are provided to Kentucky and the state match appropriations have been exhausted.

**Excess Debt Service/Lease-Rental Appropriations:** Any Road Fund appropriations that are not needed to pay lease-rental payments to the Kentucky Turnpike Authority or debt service on the new Transportation Cabinet Office Building shall be credited in the State Construction Account.

**Federal Aid Highway Funds:** If additional federal highway moneys are made available to Kentucky by the United States Congress, the funds shall be used according to the following priority: (a) any demonstration or project specific money shall be used on the project identified; and (b) all other funds shall be used to insure that projects in the 1998-2000 Biennial Highway Construction Plan are funded. If additional federal moneys remain after these priorities are met, the Transportation Cabinet may select projects from the four year preconstruction program.

**Demonstration Projects:** The Transportation Cabinet is authorized to select up to five design/build demonstration projects relating to roads. For procurement purposes, the Transportation Cabinet shall utilize a qualifications-based bidding process within the context of the provisions of KRS Chapter 176, notwithstanding any conflicting provisions of KRS Chapters 45A, 176, and 177. The Secretary of Transportation shall determine the nature and scope of each design/build project.

## **FB 2000-2002 BUDGET MODIFICATION REPORT**

### **Transportation Cabinet**

#### **GENERAL ASSEMBLY**

The General Assembly concurs with the Branch Budget with the following changes:

The General Assembly amends Part VIII, Road Fund Surplus Expenditure Plan, to read as follows: Notwithstanding KRS 48.140 and pursuant to KRS 48.710, there is established a plan of expenditures from the Road Fund Surplus Account. All moneys in the Road Fund Surplus Account shall be deposited in the State Construction Account and utilized to support projects in the 2000-2002 Biennial Highway Construction Program.

The General Assembly provides the Part IX, Special Provisions, language provisions relating to State Match Provisions, Excess Debt Service/Lease Rental Appropriations, and Demonstration Projects under the Highways budget unit.

The General Assembly amends Part IX, Special Provisions, language provision relating to Federal Aid highway Funds, and provides this provision under the Highways budget unit.

The General Assembly provides the Part IX, Special Provisions, language provision relating to Transportation Cabinet Office Building Provisions under the General Administration and Support budget unit.

The General Assembly Budget Bill, Part IX, Special Provisions, includes language provisions relating to Biennial Highway Construction Programs and Pre-financing Road Projects as follows:

a. Biennial Highway Construction Programs: Notwithstanding KRS 45.245, 45.246, 45.247, and 45.248, and KRS 176.430 and 176.440, to the extent a provision may be in conflict with the provisions in this Section, the General Assembly has appropriated budgetary funds in this Act in addition to prior designated and undesignated fund balances, to be used only for the fiscal biennium 1998-2000 and fiscal biennium 2000-2002 Biennial Highway Construction Programs enacted by the General Assembly in addition to the regular program operations of the Transportation Cabinet.

The Secretary of Transportation is directed to produce a single document that contains two separately identified sections, as follows:

Section 1 shall detail the enacted fiscal biennium 2000-2002 Biennial Highway Construction Program and Section 2 shall detail the Highway Preconstruction Program Plan for fiscal year 2002-2003 through fiscal year 2005-2006 as identified by the 2000 General Assembly. This document shall mirror in data type and format the fiscal year 2001-2006 Recommended Six Year Highway Plan as submitted to the 2000 General Assembly. The document shall be published and distributed to members of the General Assembly and the public within sixty (60) days of adjournment of the 2000 General Assembly.

No legislative action is taken by the 2000 General Assembly on Section 2 of this plan. The 2000 General Assembly only enacts the fiscal biennium 2000-2002 Biennial Highway Construction Program and takes no action on the fiscal year 2002-2003 to fiscal year 2005-2006 Preconstruction Program Plan.

No executive authority shall expend, or otherwise commit in any manner, available fiscal biennium 2000-2002 Road Fund resources for a project designated as a State Project in the fiscal year 2002-2003 through fiscal year 2005-2006 Highway Preconstruction Program Plan.

**FB 2000-2002  
BUDGET MODIFICATION REPORT**

**Transportation Cabinet**

In the event that federally funded projects contained in the enacted fiscal biennium 2000-2002 Biennial Highway Construction Program are delayed due to unforeseen circumstances, or if additional federal funds are received in excess of the amounts contemplated in this Act, the Transportation Cabinet may advance projects from the Highway Preconstruction Plan only to the extent required to assure that the Commonwealth makes full use of all available federal funds.

The Secretary of Transportation is further directed to report monthly to the Legislative Research Commission as prescribed by KRS 177.430(8) of all activity relating to all projects with open activity conducted by the Transportation Cabinet during the biennium including the year each project phase was enacted in a Six Year Highway Plan. Pursuant to KRS 48.800(5), the Transportation Cabinet shall submit the electronic monthly report in a format prescribed by the Legislative Research Commission.

Notwithstanding KRS 176.440(2) any project additions or modifications that the 2000 General Assembly may make to the fiscal year 2001-2006 Recommended Six Year Road Plan shall carry the same force of law as projects that were included in the fiscal year 2001-2006 Recommended Six Year Road Plan as submitted by the Executive Branch.

b. Pre-financing Road Projects: The Secretary is directed to develop and implement a program to address the policy of the General Assembly to expeditiously initiate and complete projects in the 2000-2002 Biennial Highway Construction Plan. Notwithstanding the provisions of KRS Chapter 45, specifically including provisions of KRS 45.242 and 45.244, the Secretary may concurrently advance projects in the Biennial Highway Construction Plan by employing management techniques that maximize the Cabinet's ability to contract for and effectively administer the project work. The Secretary is directed to continuously ensure that the unspent project and fund balances are sufficient to satisfy project expenditures consistent with appropriations provided.

This Memorandum record reflects the Governor's line item veto of Part IX, Special Provisions, language provision relating to Contingency Funds, #50c., Transportation Cabinet, Cabinet-wide, after the sine die adjournment of the 2000 General Assembly on April 14, 2000.

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**  
**ROAD FUND SUMMARY**

**Governmental Branch: Executive**  
**Cabinet/Function: Transportation**

**Agency:**  
**Unit:**

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch	General Assembly	Difference	Branch	General Assembly	Difference	Branch	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY:</b>									
<b>A. Gen. Admin. &amp; Support</b>									
<b>Office of the Secretary</b>									
1. Legal	2,634,000	2,634,000		2,702,900	2,702,900		2,775,000	2,775,000	
2. Personnel	573,300	573,300		803,800	803,800		833,100	833,100	
3. Secretary's Office	2,740,200	2,740,200		2,916,300	2,916,300		3,065,500	3,065,500	
<b>Sub-total</b>	<b>5,947,500</b>	<b>5,947,500</b>		<b>6,423,000</b>	<b>6,423,000</b>		<b>6,673,600</b>	<b>6,673,600</b>	
<b>Administrative Services</b>									
1. Information Technology	20,270,500	20,270,500		23,373,200	22,963,200	(410,000)	24,295,300	24,215,300	(80,000)
2. Property & Supply	16,537,200	16,537,200		16,779,500	16,654,500	(125,000)	19,691,800	19,611,800	(80,000)
3. Administration	5,802,700	5,802,700		6,245,900	6,245,900		6,488,300	6,447,400	(40,900)
4. Fleet Management									
<b>Sub-total</b>	<b>42,610,400</b>	<b>42,610,400</b>		<b>46,398,600</b>	<b>45,863,600</b>	<b>(535,000)</b>	<b>50,475,400</b>	<b>50,274,500</b>	<b>(200,900)</b>
<b>Fiscal Management</b>									
1. Fiscal Management	5,503,000	5,503,000		5,940,100	5,820,100	(120,000)	6,156,900	6,116,900	(40,000)
2. Toll Road Operations									
<b>Sub-total</b>	<b>5,503,000</b>	<b>5,503,000</b>		<b>5,940,100</b>	<b>5,820,100</b>	<b>(120,000)</b>	<b>6,156,900</b>	<b>6,116,900</b>	<b>(40,000)</b>
<b>Human Resources</b>									
Human Resources Mgmt.	7,825,800	7,825,800		8,155,100	8,155,100		8,277,200	8,277,200	
<b>Total-Gen. Adm. &amp; Support</b>	<b>61,886,700</b>	<b>61,886,700</b>		<b>66,916,800</b>	<b>66,261,800</b>	<b>(655,000)</b>	<b>71,583,100</b>	<b>71,342,200</b>	<b>(240,900)</b>
<b>B. Revenue Sharing</b>									
1. County Road Aid	78,114,700	78,114,700		82,403,500	82,403,500		84,215,200	84,215,200	
2. Rural Secondary	94,691,100	94,691,100		99,965,000	99,965,000		102,162,800	102,162,800	
3. Municipal Road Aid	32,844,500	32,844,500		34,672,500	34,672,500		35,434,800	35,434,800	
4. Energy Recovery	825,000	825,000		825,000	825,000		825,000	825,000	
5. Energy Recovery Co-op									
<b>Total-Revenue Sharing</b>	<b>206,475,300</b>	<b>206,475,300</b>		<b>217,866,000</b>	<b>217,866,000</b>		<b>222,637,800</b>	<b>222,637,800</b>	

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**  
**ROAD FUND SUMMARY**

Governmental Branch: Executive  
Cabinet/Function: Transportation

Agency:  
Unit:

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch	General Assembly	Difference	Branch	General Assembly	Difference	Branch	General Assembly	Difference
<b>C. Highways</b>									
<b>Research</b>									
1. Reseach	776,000	776,000		760,000	760,000		770,000	770,000	
2. KY. Transportation Ctr.	290,000	290,000		290,000	290,000		290,000	290,000	
<b>Total Research</b>	<b>1,066,000</b>	<b>1,066,000</b>		<b>1,050,000</b>	<b>1,050,000</b>		<b>1,060,000</b>	<b>1,060,000</b>	
<b>Construction</b>									
1. State Resurfacing	63,000,000	63,000,000		64,500,000	64,500,000		66,000,000	66,000,000	
2. State Match	96,817,300	96,817,300		107,000,000	107,000,000		108,900,000	108,900,000	
3. State Construction	175,354,600	175,354,600		244,531,300	167,077,400	(77,453,900)	334,086,800	170,885,900	(163,200,900)
4. Highway Contingency	35,000,000	35,000,000		36,000,000	36,000,000		37,000,000	37,000,000	
5. Toll Road 4-R									
5. Special Projects	450,000	450,000		500,000	500,000		500,000	500,000	
<b>Total State Construction</b>	<b>370,621,900</b>	<b>370,621,900</b>		<b>452,531,300</b>	<b>375,077,400</b>	<b>(77,453,900)</b>	<b>546,486,800</b>	<b>383,285,900</b>	<b>(163,200,900)</b>
<b>Maintenance</b>									
1. Roadway Maintenance	130,995,900	130,995,900		144,746,100	144,746,100		148,644,500	148,644,500	
2. Rest Area Maintenance	8,955,500	8,955,500		8,837,800	8,837,800		9,030,600	9,030,600	
3. Bridge Maintenance	10,076,500	10,076,500		14,636,800	14,636,800		15,148,000	15,148,000	
4. Traffic	33,624,600	33,624,600		36,816,900	36,816,900		37,577,800	37,577,800	
<b>Total Maintenance</b>	<b>183,652,500</b>	<b>183,652,500</b>		<b>205,037,600</b>	<b>205,037,600</b>		<b>210,400,900</b>	<b>210,400,900</b>	
<b>Engineering Adminstration</b>	9,547,000	9,547,000		9,862,400	9,862,400		10,323,800	10,323,800	
<b>Highway Planning</b>	2,205,000	2,205,000		2,303,200	2,303,200		2,368,600	2,368,600	
<b>Highway Operations</b>	19,920,800	19,920,800		20,793,500	20,793,500		21,472,000	21,472,000	
<b>Equipment Services</b>							1,000,000	1,000,000	
<b>Total Highways</b>	<b>587,013,200</b>	<b>587,013,200</b>		<b>691,578,000</b>	<b>614,124,100</b>		<b>793,112,100</b>	<b>628,911,200</b>	<b>(164,200,900)</b>

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**  
**ROAD FUND SUMMARY**

**Governmental Branch: Executive**  
**Cabinet/Function: Transportation**

**Agency:**  
**Unit:**

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch	General Assembly	Difference	Branch	General Assembly	Difference	Branch	General Assembly	Difference
<b>D. Vehicle Regulation</b>									
1. Commissioner's Office	733,000	733,000		920,700	920,700		955,500	955,500	
2. Drivers Licensing	6,672,000	6,672,000		6,541,500	6,508,400	(33,100)	6,537,600	6,527,600	(10,000)
3. Motor Carriers	2,068,000	2,068,000		2,193,300	2,193,300		2,294,300	2,294,300	
4. Mot. Vehicle Licensing	5,088,000	5,088,000		5,712,000	5,082,000	(630,000)	6,854,600	6,844,600	(10,000)
5. Mot. Vehicle Enforce.	15,260,000	15,260,000		14,558,800	14,488,800	(70,000)	15,007,300	13,387,100	(1,620,200)
<b>Total-Vehicle Regulation</b>	<b>29,821,000</b>	<b>29,821,000</b>		<b>29,926,300</b>	<b>29,193,200</b>	<b>(733,100)</b>	<b>31,649,300</b>	<b>30,009,100</b>	<b>(1,640,200)</b>
<b>E. Debt Service</b>									
1. Toll Road Lease-Rental	3,478,000	3,478,000		620,600	620,600		620,600	620,600	
2. Resource Recovery	53,447,000	53,447,000		36,066,600	36,066,600		12,350,400	12,350,400	
3. Debt Service Acceleration									
4. Economic Development	111,708,500	111,708,500		130,588,500	130,588,500		156,883,300	156,883,300	
<b>Total-Debt Service</b>	<b>168,633,500</b>	<b>168,633,500</b>		<b>167,275,700</b>	<b>167,275,700</b>		<b>169,854,300</b>	<b>169,854,300</b>	
<b>F. Judgments</b>									
<b>Total Operating Budget</b>	<b>1,053,829,700</b>	<b>1,053,829,700</b>		<b>1,173,562,800</b>	<b>1,094,720,800</b>	<b>(78,842,000)</b>	<b>1,288,836,600</b>	<b>1,122,754,600</b>	<b>(166,082,000)</b>
<b>Total Capital Budget</b>	<b>8,843,000</b>	<b>8,843,000</b>		<b>10,050,000</b>	<b>10,370,000</b>	<b>320,000</b>	<b>7,814,000</b>	<b>6,654,000</b>	<b>(1,160,000)</b>
<b>Transportation Cabinet</b>	<b>1,062,672,700</b>	<b>1,062,672,700</b>		<b>1,183,612,800</b>	<b>1,105,090,800</b>	<b>(78,522,000)</b>	<b>1,296,650,600</b>	<b>1,129,408,600</b>	<b>(167,242,000)</b>

**LRC Note:** The appropriation for FY 2001-2002 totals \$628,911,200; however, due to an inadvertent error in the electronic file, the total of the allocations to the specific programs resulted in a calculation error totaling \$1,000,000. Program allocations will be adjusted to reflect the appropriated level; however, no adjustments are to be made to the specific "line item" appropriations as provided in 2000 HB 502, Kentucky Acts Chapter 549, for specific programs within the Highways budget unit.

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch

**Agency:** Transportation

**Cabinet/Function:** Transportation

**Appropriation Unit:** Air Transportation

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	2,267,000	2,267,000							
Restricted Funds	30,500	30,500		11,631,200	5,531,200	(6,100,000)	11,632,200	5,532,200	(6,100,000)
Federal Funds	359,000	359,000		209,000	8,286,600	8,077,600	209,000	8,286,600	8,077,600
<b>Regular Total Funds</b>	<b>2,656,500</b>	<b>2,656,500</b>		<b>11,840,200</b>	<b>13,817,800</b>	<b>1,977,600</b>	<b>11,841,200</b>	<b>13,818,800</b>	<b>1,977,600</b>
General Fund Continuing	2,310,100	2,310,100							
<b>GRAND TOTAL FUNDS</b>	<b>4,966,600</b>	<b>4,966,600</b>		<b>11,840,200</b>	<b>13,817,800</b>	<b>1,977,600</b>	<b>11,841,200</b>	<b>13,818,800</b>	<b>1,977,600</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	618,500	618,500		648,000	648,000		679,400	679,400	
Operating Expenses	176,500	176,500		189,500	189,500		189,500	189,500	
Grants, Loans, Benefits	4,146,600	4,146,600		10,990,200	12,967,800	1,977,600	10,959,800	12,937,400	1,977,600
Capital Outlay	25,000	25,000		12,500	12,500		12,500	12,500	
<b>TOTAL EXPENDITURES</b>	<b>4,966,600</b>	<b>4,966,600</b>		<b>11,840,200</b>	<b>13,817,800</b>	<b>1,977,600</b>	<b>11,841,200</b>	<b>13,818,800</b>	<b>1,977,600</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	2,267,000	2,267,000							
Restricted Funds	30,500	30,500		31,200	31,200		32,200	32,200	
Federal Funds	359,000	359,000		209,000	209,000		209,000	209,000	
<b>Regular Total Funds</b>	<b>2,656,500</b>	<b>2,656,500</b>		<b>240,200</b>	<b>240,200</b>		<b>241,200</b>	<b>241,200</b>	
General Fund Continuing	2,310,100	2,310,100							
<b>TOTAL BASE LEVEL</b>	<b>4,966,600</b>	<b>4,966,600</b>		<b>240,200</b>	<b>240,200</b>		<b>241,200</b>	<b>241,200</b>	
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
Restricted Funds				11,600,000	5,500,000	(6,100,000)	11,600,000	5,500,000	(6,100,000)
Federal Funds					8,077,600	8,077,600		8,077,600	8,077,600
<b>TOTAL ADDITIONAL</b>				<b>11,600,000</b>	<b>13,577,600</b>	<b>1,977,600</b>	<b>11,600,000</b>	<b>13,577,600</b>	<b>1,977,600</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 NEW</b>	<b>Kentucky Aviation Economic Development Fund - Maintenance and Development of Public Airports</b>								
(C35BC00X01)	Establish Economic Development Fund as directed in KRS Chapter 183 for development and maintenance of Kentucky's public airports. (Funds to be received from Aviation Jet Fuel Taxes.)								
<b>Restricted Funds</b>				11,600,000	5,500,000	(6,100,000)	11,600,000	5,500,000	(6,100,000)
<b>Total</b>				<b>11,600,000</b>	<b>5,500,000</b>	<b>(6,100,000)</b>	<b>11,600,000</b>	<b>5,500,000</b>	<b>(6,100,000)</b>
<b>2 NEW</b>	<b>Airport Development Projects - Federal Aviation Entitlements</b>								
(C35GA01X03)	Provide funds to support Airport Development projects.								

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch

**Agency:** Transportation

**Cabinet/Function:** Transportation

**Appropriation Unit:** Air Transportation

FY 1999-2000				FY 2000-2001			FY 2001-2002		
Branch Budget	General Assembly	Difference		Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>2 NEW Airport Development Projects - Federal Aviation Entitlements</b>									
(C35GA01X03) Provide funds to support Airport Development projects.									
<b>Federal Funds</b>					8,077,600	8,077,600		8,077,600	8,077,600
<b>Total</b>					<b>8,077,600</b>	<b>8,077,600</b>		<b>8,077,600</b>	<b>8,077,600</b>
<b>TOTAL ADDITIONAL</b>				<b>11,600,000</b>	<b>13,577,600</b>	<b>1,977,600</b>	<b>11,600,000</b>	<b>13,577,600</b>	<b>1,977,600</b>



## FB 2000-2002 BUDGET MODIFICATION REPORT

### Air Transportation

#### BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

The Branch Budget Bill, Part I, Operating Budget, includes language provision that directs, notwithstanding KRS 183.525(5), the Restricted Funds appropriation includes operational costs of the program.

Additional Restricted Funds support totaling \$11,600,000 in each fiscal year are provided to establish the Kentucky Aviation Economic Development Fund for the Maintenance and Development of Public Airports.

#### GENERAL ASSEMBLY

The General Assembly concurs with the Branch Budget with the following changes:

Additional Restricted Funds support totaling \$5,500,000 in each fiscal year are provided to establish the Kentucky Aviation Economic Development Fund for the Maintenance and Development of Public Airports.

Additional Federal Funds support totaling \$8,077,600 in each fiscal year are provided to support Airport Development Projects - Federal Aviation Entitlements.

General Aviation Entitlements:

<b>Airport</b>	<b>Amount</b>	<b>Airport</b>	<b>Amount</b>
Big Sandy Regional - Prestonsburg	\$147,000	Madisonville Municipal	\$137,333
Bowling Green - Warren County	\$150,000	Morehead - Rowan County	\$150,000
Capital City - Frankfort	\$81,400	Mt. Sterling - Montgomery	\$150,000
Elizabethtown	\$150,000	Muhlenberg County - Greenville	\$41,400
Fleming-Mason, Flemingsburg	\$150,000	Ohio County - Hartford	\$32,000
Georgetown - Scott County	\$150,000	Owensboro - Daviess County	\$150,000
Glasgow Municipal	\$150,000	Russellville-Logan	\$150,000
Goodall Field - Danville	\$150,000	Samuels Field - Bardstown	\$45,400
Henderson	\$150,000	Somerset-Pulaski	\$62,400
Hopkinsville - Christian County	\$150,000	Sturgis	\$127,529
Kentucky Dam - Gilbertsville	\$150,000	Taylor County - Campbellsville	\$68,400
Kyle-Oakley Field - Murray	\$150,000	Tucker-Guthrie - Harlan	\$150,000
London-Corbin - London	\$140,000	Wendell H. Ford - Hazard	\$150,000
Madison County - Richmond	\$150,000	<b>Total</b>	<b>\$3,432,963</b>

**FB 2000-2002  
BUDGET MODIFICATION REPORT**

**Air Transportation**

The General Assembly adds Part IX, Special Provisions, budget language relating to a) Maximize Federal Funds, b) Certified Air Carriers and Cap on Sales and Use Tax, c) Bluegrass Field Airport, and d) General Aviation Entitlements as follows:

- a. Maximize Federal Funds: The Transportation Cabinet shall utilize state Restricted Funds to maximize the matching of Federal Funds.
- b. Certified Air Carriers and Cap on Sales and Use Tax: The sales and use tax credit shall be an amount equal to the Kentucky sales and use tax other wise applicable to aircraft fuel, including jet fuel, purchased by the certificated air carrier for its storage, use, or other consumption during the annual period, less one million dollars (\$1,000,000). The one million dollar (\$1,000,000) amount shall be increased to reflect the Kentucky sales and use tax on aviation fuel attributable to operations of any other company purchased, merged, acquired, or otherwise combined with the certificated air carrier after the base period. The amount of the increase shall be based on the Kentucky sales and use tax applicable to such aircraft fuel purchased during the twelve (12) month period immediately preceding the purchase, merger, or other acquisition by or combination with the certificated air carrier.
- c. Bluegrass Field Airport: No appropriations made to the Air Transportation budget shall be utilized for the purpose of studying, planning, or construction of an additional runway at Bluegrass Field Airport.
- d. General Aviation Entitlements: General Aviation Entitlements may be utilized to fund projects listed previously. Any project funds being replaced by General Aviation Entitlement Funds shall be allocated to that airport for use on other projects approved by the local Airport Board and the Kentucky Division of Aeronautics.

This Memorandum record reflects the Governor's partial line item veto of Part IX, Special Provisions, language provision relating to Maximize Federal Funds, #51a., Transportation Cabinet, Air Transportation, after the sine die adjournment of the 2000 General Assembly on April 14, 2000.

This Memorandum record reflects the Governor's line item veto of Part IX, Special Provisions, language provision relating to Cost Overruns, #51e., Transportation Cabinet, Air Transportation, after the sine die adjournment of the 2000 General Assembly on April 14, 2000.

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch

**Agency:** Transportation

**Cabinet/Function:** Transportation

**Appropriation Unit:** Revenue Sharing

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
Road Fund	206,475,300	206,475,300		217,866,000	217,866,000		222,637,800	222,637,800	
<b>Regular Total Funds</b>	<b>206,475,300</b>	<b>206,475,300</b>		<b>217,866,000</b>	<b>217,866,000</b>		<b>222,637,800</b>	<b>222,637,800</b>	
General Fund Continuing									
<b>GRAND TOTAL FUNDS</b>	<b>206,475,300</b>	<b>206,475,300</b>		<b>217,866,000</b>	<b>217,866,000</b>		<b>222,637,800</b>	<b>222,637,800</b>	
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	18,313,200	18,313,200		19,669,200	19,669,200		20,652,600	20,652,600	
Operating Expenses	26,963,554	26,963,554		27,469,400	27,469,400		27,731,900	27,731,900	
Grants, Loans, Benefits	112,862,200	112,862,200		118,920,600	118,920,600		121,872,000	121,872,000	
Construction	48,336,346	48,336,346		51,806,800	51,806,800		52,381,300	52,381,300	
<b>TOTAL EXPENDITURES</b>	<b>206,475,300</b>	<b>206,475,300</b>		<b>217,866,000</b>	<b>217,866,000</b>		<b>222,637,800</b>	<b>222,637,800</b>	
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
Road Fund	206,475,300	206,475,300		217,866,000	217,866,000		222,637,800	222,637,800	
<b>Regular Total Funds</b>	<b>206,475,300</b>	<b>206,475,300</b>		<b>217,866,000</b>	<b>217,866,000</b>		<b>222,637,800</b>	<b>222,637,800</b>	
General Fund Continuing									
<b>TOTAL BASE LEVEL</b>	<b>206,475,300</b>	<b>206,475,300</b>		<b>217,866,000</b>	<b>217,866,000</b>		<b>222,637,800</b>	<b>222,637,800</b>	

## **FB 2000-2002 BUDGET MODIFICATION REPORT**

### **Revenue Sharing**

#### **BRANCH BUDGET**

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

The Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct the following:

Included in the above Road Fund appropriation is \$82,403,500 in FY 2000-2001 and \$84,215,200 in FY 2001-2002 for the County Road Aid program in accordance with KRS 177.320, 179.410, 179.415, and 179.440. Notwithstanding KRS 177.320(2), the above amount has been reduced by \$38,000 in FY 2000-2001 and \$38,000 in FY 2001-2002 which has been appropriated to the Highways appropriation unit for the support of the Kentucky Transportation Center.

Included in the above Road Fund appropriation is \$99,965,000 in fiscal year 2000-2001 and \$102,162,800 in fiscal year 2001-2002 for the Rural Secondary program in accordance with KRS 177.320, 177.330, 177.340, 177.350, and 177.360. Notwithstanding KRS 177.320(1), the above amount has been reduced by \$46,000 in fiscal year 2000-2001 and \$46,000 in fiscal year 2001-2002 which has been appropriated to the Highways appropriation unit for the support of the Kentucky Transportation Center.

Included in the above Road Fund appropriation is \$34,672,500 in fiscal year 2000-2001 and \$35,434,800 in fiscal year 2001-2002 for the Municipal Road Aid program in accordance with KRS 177.365 to 177.369. Notwithstanding KRS 177.365(1), the above amount has been reduced by \$16,000 in fiscal year 2000-2001 and \$16,000 in fiscal year 2001-2002 which has been appropriated to the Highways appropriation unit for the support of the Kentucky Transportation Center.

Included in the above Road Fund appropriation is \$825,000 in each fiscal year for the Energy Recovery Road Fund in accordance with KRS 177.977 to 177.981.

#### **GENERAL ASSEMBLY**

The General Assembly concurs with the Branch Budget.

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch

**Agency:** Transportation

**Cabinet/Function:** Transportation

**Appropriation Unit:** Rail Transportation

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	72,000	72,000		75,300	75,300		78,100	78,100	
<b>Regular Total Funds</b>	<b>72,000</b>	<b>72,000</b>		<b>75,300</b>	<b>75,300</b>		<b>78,100</b>	<b>78,100</b>	
General Fund Continuing									
<b>GRAND TOTAL FUNDS</b>	<b>72,000</b>	<b>72,000</b>		<b>75,300</b>	<b>75,300</b>		<b>78,100</b>	<b>78,100</b>	
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	61,000	61,000		64,200	64,200		66,900	66,900	
Operating Expenses	11,000	11,000		11,100	11,100		11,200	11,200	
<b>TOTAL EXPENDITURES</b>	<b>72,000</b>	<b>72,000</b>		<b>75,300</b>	<b>75,300</b>		<b>78,100</b>	<b>78,100</b>	
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	72,000	72,000		75,300	75,300		78,100	78,100	
<b>Regular Total Funds</b>	<b>72,000</b>	<b>72,000</b>		<b>75,300</b>	<b>75,300</b>		<b>78,100</b>	<b>78,100</b>	
General Fund Continuing									
<b>TOTAL BASE LEVEL</b>	<b>72,000</b>	<b>72,000</b>		<b>75,300</b>	<b>75,300</b>		<b>78,100</b>	<b>78,100</b>	

**FB 2000-2002**  
**BUDGET MODIFICATION REPORT**

**Rail Transportation**

**BRANCH BUDGET**

The Branch Budget recommends funding for existing services and programs in FB 2000-2002.

**GENERAL ASSEMBLY**

The General Assembly concurs with the Branch Budget.

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch

**Agency:** Transportation

**Cabinet/Function:** Transportation

**Appropriation Unit:** Public Transportation

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	4,007,000	4,007,000		5,047,500	6,786,100	1,738,600	5,199,100	6,019,100	820,000
Restricted Funds	686,100	686,100		829,600	829,600		858,300	858,300	
Federal Funds	5,102,000	5,102,000		7,740,000	7,740,000		8,044,000	8,044,000	
<b>Regular Total Funds</b>	<b>9,795,100</b>	<b>9,795,100</b>		<b>13,617,100</b>	<b>15,355,700</b>	<b>1,738,600</b>	<b>14,101,400</b>	<b>14,921,400</b>	<b>820,000</b>
General Fund Continuing	1,578,100	1,578,100							
<b>GRAND TOTAL FUNDS</b>	<b>11,373,200</b>	<b>11,373,200</b>		<b>13,617,100</b>	<b>15,355,700</b>	<b>1,738,600</b>	<b>14,101,400</b>	<b>14,921,400</b>	<b>820,000</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	1,299,400	1,299,400		1,516,900	1,516,900		1,426,600	1,426,600	
Operating Expenses	350,500	350,500		440,000	440,000		448,000	448,000	
Grants, Loans, Benefits	9,723,300	9,723,300		11,660,200	13,398,800	1,738,600	12,226,800	13,046,800	820,000
<b>TOTAL EXPENDITURES</b>	<b>11,373,200</b>	<b>11,373,200</b>		<b>13,617,100</b>	<b>15,355,700</b>	<b>1,738,600</b>	<b>14,101,400</b>	<b>14,921,400</b>	<b>820,000</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	4,007,000	4,007,000		4,237,500	4,237,500		4,289,100	4,289,100	
Restricted Funds	686,100	686,100		829,600	829,600		858,300	858,300	
Federal Funds	5,102,000	5,102,000		7,740,000	7,740,000		8,044,000	8,044,000	
<b>Regular Total Funds</b>	<b>9,795,100</b>	<b>9,795,100</b>		<b>12,807,100</b>	<b>12,807,100</b>		<b>13,191,400</b>	<b>13,191,400</b>	
General Fund Continuing	1,578,100	1,578,100							
<b>TOTAL BASE LEVEL</b>	<b>11,373,200</b>	<b>11,373,200</b>		<b>12,807,100</b>	<b>12,807,100</b>		<b>13,191,400</b>	<b>13,191,400</b>	
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				810,000	2,548,600	1,738,600	910,000	1,730,000	820,000
<b>TOTAL ADDITIONAL</b>				<b>810,000</b>	<b>2,548,600</b>	<b>1,738,600</b>	<b>910,000</b>	<b>1,730,000</b>	<b>820,000</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 EXPAN</b>	<b>Capital Grant Programs - State Match Requirement</b>								
(C35EA52X01)	Provide state match for public transportation capital grant programs totaling approximately \$8.625 million from the Federal Transportation Administration.								
<b>General Fund</b>				410,000	410,000		410,000	410,000	
<b>Total</b>				<b>410,000</b>	<b>410,000</b>		<b>410,000</b>	<b>410,000</b>	
<b>2 NEW</b>	<b>State Rail Plan - Update Plan</b>								
(C35EA51X01)	Provide funds to support personnel costs associated with updating the state-wide Kentucky Rail Plan.								
<b>General Fund</b>				150,000	150,000				
<b>Total</b>				<b>150,000</b>	<b>150,000</b>				

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch

**Agency:** Transportation

**Cabinet/Function:** Transportation

**Appropriation Unit:** Public Transportation

		FY 1999-2000			FY 2000-2001			FY 2001-2002		
		Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>V. ADDITIONAL BUDGET ITEMS</b>										
<b>3 NEW</b>	<b>TARC's Transportation Tomorrow Study - State Match Requirement</b>									
(C35EA51X02)	Provide state match requirement to support operating costs for examination of transportation problems in Greater Louisville and determine solutions for the next two decades, including Phase 3 Study relating to development and final design of Light Rail.									
<b>General Fund</b>						820,000	820,000		820,000	820,000
<b>Total</b>						<b>820,000</b>	<b>820,000</b>		<b>820,000</b>	<b>820,000</b>
<b>4 EXPAN</b>	<b>Non-Public School Student Transportation</b>									
(C35EA52X03)	Provide funds to support operating costs related to the transportation of non-public school students.									
<b>General Fund</b>					250,000	250,000		500,000	500,000	
<b>Total</b>					<b>250,000</b>	<b>250,000</b>		<b>500,000</b>	<b>500,000</b>	
<b>5 NEW</b>	<b>LEXTRAN - Matching Funds</b>									
(C35GA01X02)	Provide support to match Federal Funds for LEXTRAN in Fayette County.									
<b>General Fund</b>						918,600	918,600			
<b>Total</b>						<b>918,600</b>	<b>918,600</b>			
<b>TOTAL ADDITIONAL</b>					<b>810,000</b>	<b>2,548,600</b>	<b>1,738,600</b>	<b>910,000</b>	<b>1,730,000</b>	<b>820,000</b>



## **FB 2000-2002 BUDGET MODIFICATION REPORT**

### **Public Transportation**

#### **BRANCH BUDGET**

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exception:

The Branch Budget Bill, Part I, Operating Budget, includes language provision that directs included in the above General Fund appropriation is \$2,750,000 in FY 2000-2001 and \$3,000,000 in FY 2001-2002 for nonpublic school transportation.

Additional General Fund support is provided for the following purposes: \$410,000 in each fiscal year to provide state match for the Federal Transit Administration (FTA), capital grants program; \$150,000 in FY 2000-2001 to support personnel costs associated with updating the state-wide Kentucky Rail Plan; and \$250,000 in FY 2000-2001 and \$500,000 in FY 2001-2002 to provide for reimbursements to county government for costs related to the transportation of non-public school students.

#### **GENERAL ASSEMBLY**

The General Assembly concurs with the Branch Budget with the following changes:

The General Assembly provides additional General Fund support totaling \$820,000 in each fiscal year for the TARC Transportation Tomorrow Study in Jefferson County, and \$918,600 in FY 2000-2001 to match Federal Funds for LEXTRAN in Fayette County.

The General Assembly adds Part I, Operating Budget, language relating to LEXTRAN that directs the following:

Included in the above General Fund appropriation is \$918,600 in FY 2000-2001 to match Federal Funds for LEXTRAN in Fayette County during FB 2000-2002. The sum of \$266,100 is provided in fiscal year 2000-2001. Notwithstanding KRS 45.229, \$652,500 of this appropriation shall be continued into FY 2001-2002 for the above purpose.

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**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch

**Agency:** Transportation

**Cabinet/Function:** Transportation

**Appropriation Unit:** Highways

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
Restricted Funds	194,523,000	194,523,000		61,224,000	61,224,000		62,494,400	62,494,400	
Federal Funds	382,602,500	382,602,500		486,500,000	486,500,000		495,300,000	495,300,000	
Road Fund	587,013,200	587,013,200		691,578,000	614,124,100	(77,453,900)	793,112,100	628,911,200	(164,200,900)
<b>Regular Total Funds</b>	<b>1,164,138,700</b>	<b>1,164,138,700</b>		<b>1,239,302,000</b>	<b>1,161,848,100</b>	<b>(77,453,900)</b>	<b>1,350,906,500</b>	<b>1,186,705,600</b>	<b>(164,200,900)</b>
General Fund Continuing									
<b>GRAND TOTAL FUNDS</b>	<b>1,164,138,700</b>	<b>1,164,138,700</b>		<b>1,239,302,000</b>	<b>1,161,848,100</b>	<b>(77,453,900)</b>	<b>1,350,906,500</b>	<b>1,186,705,600</b>	<b>(164,200,900)</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	205,200,200	205,200,200		218,595,000	216,341,100	(2,253,900)	228,423,900	224,493,800	(3,930,100)
Operating Expenses	89,746,300	89,746,300		131,183,400	131,183,400		132,176,500	132,176,500	
Capital Outlay	37,700	37,700		26,400	26,400		26,400	26,400	
Construction	869,154,500	869,154,500		889,497,200	814,297,200	(75,200,000)	990,279,700	830,008,900	(160,270,800)
<b>TOTAL EXPENDITURES</b>	<b>1,164,138,700</b>	<b>1,164,138,700</b>		<b>1,239,302,000</b>	<b>1,161,848,100</b>	<b>(77,453,900)</b>	<b>1,350,906,500</b>	<b>1,186,705,600</b>	<b>(164,200,900)</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
Restricted Funds	194,523,000	194,523,000		60,978,100	60,978,100		61,921,800	61,921,800	
Federal Funds	382,602,500	382,602,500		486,500,000	486,500,000		495,300,000	495,300,000	
Road Fund	587,013,200	587,013,200		594,289,900	594,289,900		603,972,100	603,972,100	
<b>Regular Total Funds</b>	<b>1,164,138,700</b>	<b>1,164,138,700</b>		<b>1,141,768,000</b>	<b>1,141,768,000</b>		<b>1,161,193,900</b>	<b>1,161,193,900</b>	
General Fund Continuing									
<b>TOTAL BASE LEVEL</b>	<b>1,164,138,700</b>	<b>1,164,138,700</b>		<b>1,141,768,000</b>	<b>1,141,768,000</b>		<b>1,161,193,900</b>	<b>1,161,193,900</b>	
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
Restricted Funds				245,900	245,900		572,600	572,600	
Road Fund				97,288,100	19,834,200	(77,453,900)	189,140,000	24,939,100	(164,200,900)
<b>TOTAL ADDITIONAL</b>				<b>97,534,000</b>	<b>20,080,100</b>	<b>(77,453,900)</b>	<b>189,712,600</b>	<b>25,511,700</b>	<b>(164,200,900)</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 MTCE</b>	<b>Agencywide - Maintenance of Current Services</b>								
(C35FE01X01)	Provide funds to support increased equipment rental costs.								
<b>Road Fund</b>				14,900,000	14,900,000		15,648,900	15,648,900	
<b>Total</b>				<b>14,900,000</b>	<b>14,900,000</b>		<b>15,648,900</b>	<b>15,648,900</b>	
<b>2 EXPAN</b>	<b>Maintenance Branch Equipment Purchases</b>								
(C35FK03X01)	Provide funds to support operating costs for purchase of maintenance and construction equipment.								

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch

**Agency:** Transportation

**Cabinet/Function:** Transportation

**Appropriation Unit:** Highways

		FY 1999-2000			FY 2000-2001			FY 2001-2002		
		Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>V. ADDITIONAL BUDGET ITEMS</b>										
<b>2</b>	<b>EXPAN</b>	<b>Maintenance Branch Equipment Purchases</b>								
	(C35FK03X01)	Provide funds to support operating costs for purchase of maintenance and construction equipment.								
<b>Road Fund</b>								1,000,000	1,000,000	
<b>Total</b>								<b>1,000,000</b>	<b>1,000,000</b>	
<b>3</b>	<b>EXPAN</b>	<b>Division of Equipment - Additional Staff</b>								
	(C35FK01X01)	Utilize EMPOWER KY savings to provide funds to support ten (10) additional permanent full-time positions to service and maintain the Cabinet's construction and maintenance fleet.								
<b>Restricted Funds</b>								245,900	245,900	
<b>Total</b>								<b>245,900</b>	<b>245,900</b>	
<b>4</b>	<b>EXPAN</b>	<b>Program Management - Additional Staffing</b>								
	(C35FG00X01)	Provide funds to support personnel and operating expenses to employ two (2) additional permanent full-time personnel to provide reporting associated with the Cabinet's Six-Year Road Plan.								
<b>Road Fund</b>					101,300	101,300		106,200	106,200	
<b>Total</b>					<b>101,300</b>	<b>101,300</b>		<b>106,200</b>	<b>106,200</b>	
<b>5</b>	<b>EXPAN</b>	<b>Construction - Six Year Road Plan</b>								
	(C35FD04X02)	Provide funds to support increased project costs and additional projects.								
<b>Road Fund</b>					78,522,000	3,322,000	(75,200,000)	167,242,000	6,971,200	(160,270,800)
<b>Total</b>					<b>78,522,000</b>	<b>3,322,000</b>	<b>(75,200,000)</b>	<b>167,242,000</b>	<b>6,971,200</b>	<b>(160,270,800)</b>
<b>6</b>	<b>NEW</b>	<b>Wage Equity</b>								
	(C35FA00X01)	Provide funds to support personnel costs associated with the proposed Wage Equity Plan.								
<b>Restricted Funds</b>					245,900	245,900		326,700	326,700	
<b>Road Fund</b>					3,764,800	1,510,900	(2,253,900)	5,142,900	1,212,800	(3,930,100)
<b>Total</b>					<b>4,010,700</b>	<b>1,756,800</b>	<b>(2,253,900)</b>	<b>5,469,600</b>	<b>1,539,500</b>	<b>(3,930,100)</b>
<b>TOTAL ADDITIONAL</b>					<b>97,534,000</b>	<b>20,080,100</b>	<b>(77,453,900)</b>	<b>189,712,600</b>	<b>25,511,700</b>	<b>(164,200,900)</b>

## **FB 2000-2002 BUDGET MODIFICATION REPORT**

### **Highways**

#### **BRANCH BUDGET**

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

The Branch Budget Bill, Part I, Operation Budget, includes language provisions that direct the following:

Included in the above Road Fund appropriation is \$345,531,300 in FY 2000-2001 and \$437,586,800 in FY 2001-2002 for the State Funded Construction Program.

Included in the State Funded Construction Program is \$64,500,000 in FY 2000-2001 and \$66,000,000 in FY 2001-2002 from the Road Fund for the State Resurfacing Program.

Included in the State Funded Construction Program is \$500,000 in each fiscal year from the Road Fund for the Specialized Contracts account.

Included in the State Funded Construction Program is \$244,531,300 in FY 2000-2001 and \$334,086,800 in FY 2001-2002 from the Road Fund for state construction projects in the 2000-2002 Biennial Highway Construction Program.

Projects in the enacted 1998-2000 Biennial Highway Construction Plan are so listed in order to continue their current authorization into the 2000-2002 biennium, and are reauthorized in this Act.

Included in the State Funded Construction Program is \$36,000,000 in FY 2000-2001 and \$37,000,000 in FY 2001-2002 for the Highway Construction Contingency Account.

Notwithstanding KRS 177.320(4), included in the above Road Fund appropriation is \$290,000 in each fiscal year for the Kentucky Transportation Center.

Notwithstanding KRS 48.710, Restricted Funds are appropriated in the amount of \$1,500,000 in each fiscal year from the sale of surplus equipment to purchase new highway equipment.

Additional Road Fund support is provided for the following purposes: \$14,900,000 in FY 2000-2001 and \$15,648,900 in FY 2001-2002 to maintain levels of current services; \$1,000,000 in FY 2001-2002 for Maintenance Branch equipment purchases; \$101,300 in FY 2000-2001 and \$106,200 in FY 2001-2002 to support two (2) additional permanent full-time positions within the Division of Program Management; and \$78,522,000 in FY 2000-2001 and \$167,242,000 in FY 2001-2002 to support increased project costs and additional projects in the Six Year Road Plan.

Additional Restricted Funds support totaling \$245,900 in FY 2001-2002 is provided for utilization of EMPOWER KY Initiative savings to support ten (10) additional permanent full-time positions within the Division of Equipment.

## **FB 2000-2002 BUDGET MODIFICATION REPORT**

### **Highways**

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional Road Fund support totaling \$3,764,800 in FY 2000-2001 and \$5,142,900 in FY 2001-2002 and Restricted Funds totaling \$245,900 in FY 2000-2001 and \$326,700 in FY 2001-2002 are budgeted to provide a guaranteed COLA salary adjustment for each employee on July 1 each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increase in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

The Branch Budget Bill, Part IX, Special Provisions, includes language provisions under the Transportation Cabinet relating to State Match Provisions, Excess Debt Service/Lease-Rental Appropriations, Federal Aid Highway Funds, and the Transportation Cabinet authorization to design/build demonstration projects relating to roads, as follows:

- a) State Match Provisions: The Transportation Cabinet is authorized to utilize state construction moneys to match federal highway moneys in the event that anticipated additional federal funds are provided to Kentucky and the state match appropriations have been exhausted.
- b) Excess Debt Service/Lease-Rental Appropriations: Any Road Fund appropriations that are not needed to pay lease-rental payments to the Kentucky Turnpike Authority or debt service on the new Transportation Cabinet Office Building shall be credited in the State Construction Account.
- c) Federal Aid Highway Funds: If additional federal highway moneys are made available to Kentucky by the United States Congress, the funds shall be used according to the following priority: (a) any demonstration or project specific money shall be used on the project identified; and (b) all other funds shall be used to insure that projects in the 2000-2002 Biennial Highway Construction Plan are funded. If additional federal moneys remain after these priorities are met, the Transportation Cabinet may select projects from the four year preconstruction program.
- d) The Transportation Cabinet is authorized to select up to five design/build demonstration projects relating to roads. For procurement purposes, the Transportation Cabinet shall utilize a qualifications-based bidding process within the context of the provisions of KRS Chapter 176, notwithstanding any conflicting provisions of KRS Chapters 45A, 176, and 177. The Secretary of Transportation shall determine the nature and scope of each design/build project.

### **GENERAL ASSEMBLY**

The General Assembly concurs with the Branch Budget with the following changes:

The General Assembly amends Part I, Operating Budget, language provisions as follows:

Included in the above Road Fund appropriation is \$268,077,400 in fiscal year 2000-2001 and \$274,385,900 in fiscal year 2001-2002 for the State Funded Construction Program.

## **FB 2000-2002 BUDGET MODIFICATION REPORT**

### **Highways**

Included in the State Funded Construction Program is \$167,077,400 in fiscal year 2000-2001 and \$170,885,900 in fiscal year 2001-2002 from the Road Fund for state construction projects in the 2000-2002 Biennial Highway Construction Program.

Additional Road Fund support totaling \$3,322,000 in fiscal year 2000-2001 and \$6,971,200 in fiscal year 2001-2002 is provided to support increased project costs and additional projects in the Six Year Road Plan.

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$1,756,800 in fiscal year 2000-2001 and \$1,539,500 in fiscal year 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 or each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

The General Assembly directs that the Transportation Cabinet shall transfer \$2,500,000 from the Highway Road Fund appropriation to the Madison County Fiscal Court for the reconstruction of Groggins Lane.

The General Assembly Budget Bill, Part IX, Special Provisions, includes language provisions relating to State Match Provisions, Excess Debt Service/Lease-Rental Appropriations, Federal Aid Highway Funds, Demonstration Projects, "ZVARIOUS" Projects, E. P. "Tom" Sawyer State Park, Switzer Bridge, and Contingency Funds as follows:

- a) State Match Provisions: The Transportation Cabinet is authorized to utilize state construction moneys to match federal highway moneys in the event that anticipated additional federal funds are provided to Kentucky and the state match appropriations have been exhausted.
- b) Excess Debt Service/Lease-Rental Appropriations: Any Road Fund appropriations that are not needed to pay lease-rental payments to the Kentucky Turnpike Authority or debt service on the new Transportation Cabinet Office Building shall be credited in the State Construction Account.
- c) Federal Aid Highway Funds: If additional federal highway moneys are made available to Kentucky by the United State Congress, the funds shall be used according to the following priority: (a) any demonstration or project specific money shall be used on the project identified; and (b) all other funds shall be used to insure that projects in the 2000-2002 Biennial Highway Construction Plan are funded.

If additional federal moneys remain after these priorities are met, or if federally funded projects contained in the enacted fiscal biennium 2000-2002 Biennial Highway Construction Program are delayed due to unforeseen circumstances, the Transportation Cabinet may advance projects from the Highway Preconstruction Program Plan only to the extent required to assure that the Commonwealth makes full use of all available federal funds.

## FB 2000-2002 BUDGET MODIFICATION REPORT

### Highways

d) Demonstration Projects: The Transportation Cabinet is authorized to select up to five design/build demonstration projects relating to roads. For procurement purposes, the Transportation Cabinet shall utilize a qualifications-based bidding process within the context of the provisions of KRS Chapter 176, notwithstanding any conflicting provisions of KRS Chapters 45A, 176, and 177. The Secretary of Transportation shall determine the nature and scope of each design/build project.

The Transportation Cabinet shall provide a quarterly program and financial status report which identifies the expenditure of any funds for the five demonstration projects, to the Interim Joint Committee on Appropriations and Revenue. The report shall provide, at a minimum, the amount and purpose for which the expenditure was made, the projected goals to be accomplished and outcomes, and their status.

e) "ZVARIOUS" Projects: The Transportation Cabinet shall report on a quarterly basis to the Interim Joint Committee on Appropriations and Revenue on the expenditure of moneys provided for "ZVARIOUS" projects. The report shall include, but not be limited to, the county, type of work, route, costs, and the month in which the activity was performed.

f) E. P. "Tom" Sawyer State Park: The Department of Parks is prohibited from permitting the Transportation Cabinet from constructing a new entrance to the E. P. "Tom" Sawyer State Park in Jefferson County, Kentucky, from either Lakeland Road or Old Whippys Mill Road.

g) Switzer Bridge: Notwithstanding KRS Chapter 45A, the Transportation Cabinet shall make the necessary adjustments to the Switzer Bridge as provided in the Biennial Highway Construction Program using the same contractor who reconstructed the previous historical structure.

h) Contingency Fund: The Cabinet shall utilize the Contingency Fund to support projects as identified in the Statutory Budget Memorandum.

Included in the Road Fund appropriation for the Contingency Fund is support for the following projects:

<u>County</u>	<u>Description</u>	<u>FY 2001</u>	<u>FY 2002</u>
Adair	Road renovation and guardrails as prioritized by Adair County Fiscal Court	25,000	
Boone	Turn lanes and signals off KY 20 to KY 212	150,000	
Boyd	Reconstruction of KY 5 at Pinecrest Pike (Design in FY 2001, Construction in FY 2002)	100,000	100,000
Boyle	Resurfacing projects in the City of Danville		25,000
Boyle	Resurfacing projects in the City of Junction City	25,000	
Bracken	Scoping study from KY 8 to Northstar Underground Railroad Performing Center	50,000	
Bullitt	Improvements to 14 miles of roads prioritized by the Bullitt County Fiscal Court	300,000	
Bullitt	Road improvements as prioritized by the Bullitt County Fiscal Court	250,000	
Calloway	Extend Industrial Park Road for new industrial development	200,000	
Calloway	Correct drainage problems in the city of Murray		200,000
Campbell	Street repair on Winters Lane in Cold Spring from Route 1998 through intersection with Orchard Terrace to Holtz Drive (exclusive of intersection)	20,000	



## FB 2000-2002 BUDGET MODIFICATION REPORT

### Highways

Campbell	Resurface Nelson Road from State Route 1997 to the ramp on AA Route 9	30,000	
Campbell	Resurface East Alexandria Pike from Route 709 to Low Gap Road	30,000	
Campbell	Placement of wire and telephone lines underground - State Road 1120, Fort Thomas business district		300,000
Carroll	Sidewalk, guardrail and lighting projects as prioritized by Carroll County Fiscal Court	20,000	
Casey	Road renovation and guardrails as prioritized by Casey County Fiscal Court	25,000	
Clay	Bridge replacement on Horse Creek Road (CR 1256)	75,000	
Clay	Bridge replacement on Memorial Gardens Road (CR 1321)	55,000	
Clay	Bridge replacement on Ham Hollow Road (CR 1231A)	60,000	
Cumberland	Guardrail improvement on KY 90 west of Burkesville		150,000
Edmonson	Improve intersection of KY 70 at KY 187	65,000	
Gallatin	Sidewalk, guardrail and lighting projects as prioritized by Gallatin County Fiscal Court		10,000
Garrard	Replace one-lane White Lick Road Bridge with two-lane bridge about 1 mile from Hwy. 954 on White Lick Road		150,000
Grant	Sidewalk, guardrail and lighting projects as prioritized by Grant County Fiscal Court	30,000	
Grayson	Shaw Station Road improvements	150,000	
Hardin	Entrance, sidewalk construction for Hardin County Public Library in Elizabethtown		150,000
Jefferson	Construct a new entrance to the E. P. Tom Sawyer State Park at Fray's Hill Road and existing Pottery Shed Road (Design in FY 2001, Construction in FY 2002)	50,000	336,000
Jefferson	Traffic signal at Redding Road and Breckinridge Lane	25,000	
Jefferson	Resurface Westport/Frey's Hill Road	150,000	
Jefferson	St. Regis Park - sound barrier wall along I-64		150,000
Jefferson	Sidewalk and/or street repair as prioritized by City of Parkway Village	25,000	
Jefferson	Sidewalk and/or street repair as prioritized by City of Lynnview	50,000	
Jefferson	Sidewalk and/or street repair as prioritized by Audubon Park City	75,000	
Jessamine	Resurfacing projects in the City of Wilmore	50,000	
Kenton	Resurfacing of Ryland Lakes Drive - 1.2 miles	50,000	
Kenton	Road improvements as prioritized by Kenton County Fiscal Court	100,000	
Larue	Sidewalk improvements at Magnolia and Buffalo	150,000	
Laurel	Road improvements as prioritized by Laurel County Fiscal Court	150,000	
Lawrence	Guardrail installation from intersection of KY 1 and KY 201 (Webville), extending to the intersection of KY 201 and KY 32 in Blaine	400,000	
Letcher	Road paving projects prioritized by the Letcher County Fiscal Court	250,000	
Lewis	Resurface Crooked Creek (county Road 1319)	75,000	
Lewis	Trinity Station Bridge - Phase II Replacement	75,000	
Logan	Resurface County Road 386 from US 431 to KY 107 in Lewisburg (2 miles)	80,000	

## FB 2000-2002 BUDGET MODIFICATION REPORT

### Highways

Mason	Reconstruction to improve line of sight at US 68 and KY 324 in May's Lick	75,000	
Mason	Resurface KY 2517 in May's Lick - 1.5 miles	60,000	
Mercer	Resurfacing projects in the City of Harrodsburg	50,000	
Metcalfe	Resurface Cork-Gascon Road - Cumberland Parkway to KY 544 (CR 1011)		200,000
Monroe	Sidewalk improvements	100,000	
Oldham	Sidewalk, guardrail and lighting projects as prioritized by Oldham County Fiscal Court	70,000	
Perry	Straighten KY 7 at Jeff - .25 mile	386,000	
Perry	Resurface Barwick Road from Perry County to Breathitt County - 2 miles	80,000	
Perry	Resurface Terminal Road to Wendell H. Ford Airport - .9 mile	30,000	
Perry	Guardrail installation and road shoulder stabilization between milepoint 4.7 and milepoint 8.826 at Harveyton ending at KY 2446	170,000	
Pulaski	Resurfacing projects as prioritized by the City of Somerset	75,000	
Russell	Road renovation and guardrails as prioritized by Russell County Fiscal Court	25,000	
Simpson	Sidewalk improvements	50,000	
Trimble	Sidewalk, guardrail and lighting projects as prioritized by Trimble County Fiscal Court	10,000	
Warren	Resurface Hadley Hill with skid resistance asphalt (US 231 east of Hwy. 626 intersection in Hadley)	70,000	
Wayne	Resurface projects as prioritized by Wayne County Fiscal Court	100,000	
Woodford	Left turn arrow striping at the intersection of US 60 and Pisgah Pike	2,000	
Woodford	Item number 07-5005 in the 2000-2006 Six Year Road Plan shall include flood hazard mitigation	100,000	200,000

This Memorandum record reflects the Governor's line item veto of Part IX, Special Provisions, language provision relating to Daniel Boone Parkway Tolls, #54g., Transportation Cabinet, Highways, after the sine die adjournment of the 2000 General Assembly on April 14, 2000.

The General Assembly directs that a stoplight be installed at the intersection of Georgetown Road and Briarwood Drive in Fayette County. The costs related to the installation of the stoplight shall be funded from Road Fund resources. (LRC Note: Due to an inadvertent error, this project is omitted from the 2000-2002 Biennial Highway Construction Program.)

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch  
**Cabinet/Function:** Transportation

**Agency:** Transportation  
**Appropriation Unit:** Vehicle Regulation

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
Restricted Funds	2,861,000	2,861,000		2,925,000	2,925,000		2,977,400	2,975,600	(1,800)
Federal Funds	1,925,000	1,925,000		2,225,000	2,225,000		2,225,000	2,225,000	
Road Fund	29,821,000	29,821,000		29,926,300	29,193,200	(733,100)	31,649,300	30,009,100	(1,640,200)
<b>Regular Total Funds</b>	<b>34,607,000</b>	<b>34,607,000</b>		<b>35,076,300</b>	<b>34,343,200</b>	<b>(733,100)</b>	<b>36,851,700</b>	<b>35,209,700</b>	<b>(1,642,000)</b>
General Fund Continuing									
<b>GRAND TOTAL FUNDS</b>	<b>34,607,000</b>	<b>34,607,000</b>		<b>35,076,300</b>	<b>34,343,200</b>	<b>(733,100)</b>	<b>36,851,700</b>	<b>35,209,700</b>	<b>(1,642,000)</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	25,568,100	25,568,100		26,357,800	26,091,600	(266,200)	27,119,500	27,037,300	(82,200)
Operating Expenses	9,038,900	9,038,900		8,718,500	8,251,600	(466,900)	8,732,200	8,172,400	(559,800)
Capital Outlay							1,000,000		(1,000,000)
<b>TOTAL EXPENDITURES</b>	<b>34,607,000</b>	<b>34,607,000</b>		<b>35,076,300</b>	<b>34,343,200</b>	<b>(733,100)</b>	<b>36,851,700</b>	<b>35,209,700</b>	<b>(1,642,000)</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
Restricted Funds	2,861,000	2,861,000		2,925,000	2,925,000		2,975,600	2,975,600	
Federal Funds	1,925,000	1,925,000		2,225,000	2,225,000		2,225,000	2,225,000	
Road Fund	29,821,000	29,821,000		29,075,500	29,075,500		29,836,400	29,836,400	
<b>Regular Total Funds</b>	<b>34,607,000</b>	<b>34,607,000</b>		<b>34,225,500</b>	<b>34,225,500</b>		<b>35,037,000</b>	<b>35,037,000</b>	
General Fund Continuing									
<b>TOTAL BASE LEVEL</b>	<b>34,607,000</b>	<b>34,607,000</b>		<b>34,225,500</b>	<b>34,225,500</b>		<b>35,037,000</b>	<b>35,037,000</b>	
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
Restricted Funds							1,800		(1,800)
Road Fund				850,800	117,700	(733,100)	1,812,900	172,700	(1,640,200)
<b>TOTAL ADDITIONAL</b>				<b>850,800</b>	<b>117,700</b>	<b>(733,100)</b>	<b>1,814,700</b>	<b>172,700</b>	<b>(1,642,000)</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 NEW</b>	<b>Kentucky Vehicle Identification System (KVIS) - Computer Equipment for County Clerks</b>								
(C35GA04X01)	Provide funds to support procurement of computer workstations to be installed in each County Clerk's Office and Central Office (Frankfort) to implement the new "Cash Drawer" System currently being implemented by the Governor's Office for Technology.								
<b>Road Fund</b>				600,000		(600,000)	1,600,000		(1,600,000)
<b>Total</b>				<b>600,000</b>		<b>(600,000)</b>	<b>1,600,000</b>		<b>(1,600,000)</b>
<b>2 NEW</b>	<b>Wage Equity</b>								
(C35GA01X01)	Provide funds to support personnel costs associated with the proposed Wage Equity Plan.								
<b>Restricted Funds</b>							1,800		(1,800)

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch

**Agency:** Transportation

**Cabinet/Function:** Transportation

**Appropriation Unit:** Vehicle Regulation

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>V. ADDITIONAL BUDGET ITEMS</b>									
2 NEW Wage Equity									
(C35GA01X01) Provide funds to support personnel costs associated with the proposed Wage Equity Plan.									
<b>Road Fund</b>				250,800	117,700	(133,100)	212,900	172,700	(40,200)
<b>Total</b>				<b>250,800</b>	<b>117,700</b>	<b>(133,100)</b>	<b>214,700</b>	<b>172,700</b>	<b>(42,000)</b>
<b>TOTAL ADDITIONAL</b>				<b>850,800</b>	<b>117,700</b>	<b>(733,100)</b>	<b>1,814,700</b>	<b>172,700</b>	<b>(1,642,000)</b>

## **FB 2000-2002 BUDGET MODIFICATION REPORT**

### **Vehicle Regulation**

#### **BRANCH BUDGET**

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

Additional Road Fund support totaling \$600,000 in FY 2000-2001 and \$1,600,000 in FY 2001-2002 is provided to procure computer workstations to be installed in each County Clerk's Office and Central Office (Frankfort) to implement the new "Cash Drawer" System.

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional Road Fund support totaling \$250,800 in FY 2000-2001 and \$212,900 in FY 2001-2002 and Restricted Funds totaling \$1,800 in FY 2001-2002 are budgeted to provide a guaranteed COLA salary adjustment for each employee on July 1 each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increase in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

#### **GENERAL ASSEMBLY**

The General Assembly concurs with the Branch Budget with the following changes:

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$117,700 in fiscal year 2000-2001 and \$172,700 in fiscal year 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 or each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

The General Assembly includes, Part IX, Special Provisions, language provisions relating to Reflectorized License Plates as follows:

Reflectorized License Plates: Notwithstanding KRS 186.240, the Transportation Cabinet shall dedicate the fifty cents (\$0.50) collected on every license plate issued to defray the cost to reflectorize the plate, to a special fund that is to be used to issue new reflectorized license plates every five (5) years. The Transportation Cabinet shall report the amounts deposited and expended on an annual basis to the Interim Joint Committee on Appropriations and Revenue.

Additional Road Fund support to procure computer workstations to be installed in each County Clerk's Office and Central Office (Frankfort) to implement the new "Cash Drawer" System is not provided.

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**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch

**Agency:** Transportation

**Cabinet/Function:** Transportation

**Appropriation Unit:** Debt Service

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
Road Fund	168,633,500	168,633,500		167,275,700	167,275,700		169,854,300	169,854,300	
<b>Regular Total Funds</b>	<b>168,633,500</b>	<b>168,633,500</b>		<b>167,275,700</b>	<b>167,275,700</b>		<b>169,854,300</b>	<b>169,854,300</b>	
General Fund Continuing									
<b>GRAND TOTAL FUNDS</b>	<b>168,633,500</b>	<b>168,633,500</b>		<b>167,275,700</b>	<b>167,275,700</b>		<b>169,854,300</b>	<b>169,854,300</b>	
<b>II. EXPENDITURE CATEGORY</b>									
Debt Service	168,633,500	168,633,500		167,275,700	167,275,700		169,854,300	169,854,300	
<b>TOTAL EXPENDITURES</b>	<b>168,633,500</b>	<b>168,633,500</b>		<b>167,275,700</b>	<b>167,275,700</b>		<b>169,854,300</b>	<b>169,854,300</b>	
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
Road Fund	168,633,500	168,633,500		167,275,700	167,275,700		169,854,300	169,854,300	
<b>Regular Total Funds</b>	<b>168,633,500</b>	<b>168,633,500</b>		<b>167,275,700</b>	<b>167,275,700</b>		<b>169,854,300</b>	<b>169,854,300</b>	
General Fund Continuing									
<b>TOTAL BASE LEVEL</b>	<b>168,633,500</b>	<b>168,633,500</b>		<b>167,275,700</b>	<b>167,275,700</b>		<b>169,854,300</b>	<b>169,854,300</b>	

## **FB 2000-2002 BUDGET MODIFICATION REPORT**

### **Debt Service**

#### **BRANCH BUDGET**

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

The Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct the following:

Included in the above Road Fund appropriation is \$620,600 in each fiscal year for toll road lease rental payments.

Included in the above Road Fund appropriation is \$36,066,600 in FY 2000-2001 and \$12,350,400 in FY 2001-2002 for Resource Recovery Road lease rental payments. The Secretary of the Transportation Cabinet shall use Road Fund resources to meet the lease rental payments to the Kentucky Turnpike Authority for Resource Recovery Road projects in the amount certified by the Transportation Cabinet, pursuant to KRS 143.090. However, if Road Fund resources are not sufficient to meet lease rental payments, the additional amount required to meet the obligation shall be transferred from the proceeds of the tax levied on the severance or processing of coal by KRS 143.020.

Included in the above Road Fund appropriation is \$130,588,500 in FY 2000-2001 and \$156,883,300 in FY 2001-2002 for Economic Development Road lease rental payments relating to projects financed by Economic Development Road Revenue Bonds previously issued by the Turnpike Authority of Kentucky.

Any moneys not required to meet lease-rental payments or to meet the administrative costs of the Turnpike Authority shall be transferred to the State Construction account.

Notwithstanding KRS 175.505, no portion of the revenues to the state Road Fund provided by the adjustments in KRS 138.220(2), excluding KRS 177.320 and 177.365, shall accrue to the Debt Payment Acceleration Fund account during the 2000-2002 biennium.

#### **GENERAL ASSEMBLY**

The General Assembly concurs with the Branch Budget.



**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch

**Agency:** Transportation

**Cabinet/Function:** Transportation

**Appropriation Unit:** General Administration and Support

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
Restricted Funds	24,554,300	24,554,300		23,953,400	23,953,400		22,819,200	22,819,200	
Road Fund	61,886,700	61,886,700		66,916,800	66,261,800	(655,000)	71,583,100	71,342,200	(240,900)
<b>Regular Total Funds</b>	<b>86,441,000</b>	<b>86,441,000</b>		<b>90,870,200</b>	<b>90,215,200</b>	<b>(655,000)</b>	<b>94,402,300</b>	<b>94,161,400</b>	<b>(240,900)</b>
General Fund Continuing									
<b>GRAND TOTAL FUNDS</b>	<b>86,441,000</b>	<b>86,441,000</b>		<b>90,870,200</b>	<b>90,215,200</b>	<b>(655,000)</b>	<b>94,402,300</b>	<b>94,161,400</b>	<b>(240,900)</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	30,939,000	30,939,000		33,534,800	33,164,800	(370,000)	34,674,900	34,434,000	(240,900)
Operating Expenses	32,178,800	32,178,800		38,176,600	38,176,600		36,559,700	36,559,700	
Grants, Loans, Benefits	40,000	40,000		40,200	40,200		40,600	40,600	
Debt Service	9,688,400	9,688,400		6,852,000	6,852,000		9,691,000	9,691,000	
Capital Outlay	13,516,800	13,516,800		12,188,300	11,903,300	(285,000)	13,356,900	13,356,900	
Construction	78,000	78,000		78,300	78,300		79,200	79,200	
<b>TOTAL EXPENDITURES</b>	<b>86,441,000</b>	<b>86,441,000</b>		<b>90,870,200</b>	<b>90,215,200</b>	<b>(655,000)</b>	<b>94,402,300</b>	<b>94,161,400</b>	<b>(240,900)</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
Restricted Funds	24,554,300	24,554,300		23,953,400	23,953,400		22,767,900	22,767,900	
Road Fund	61,886,700	61,886,700		63,617,600	63,617,600		68,560,800	68,560,800	
<b>Regular Total Funds</b>	<b>86,441,000</b>	<b>86,441,000</b>		<b>87,571,000</b>	<b>87,571,000</b>		<b>91,328,700</b>	<b>91,328,700</b>	
General Fund Continuing									
<b>TOTAL BASE LEVEL</b>	<b>86,441,000</b>	<b>86,441,000</b>		<b>87,571,000</b>	<b>87,571,000</b>		<b>91,328,700</b>	<b>91,328,700</b>	
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
Restricted Funds							51,300	51,300	
Road Fund				3,299,200	2,644,200	(655,000)	3,022,300	2,781,400	(240,900)
<b>TOTAL ADDITIONAL</b>				<b>3,299,200</b>	<b>2,644,200</b>	<b>(655,000)</b>	<b>3,073,600</b>	<b>2,832,700</b>	<b>(240,900)</b>

**V. ADDITIONAL BUDGET ITEMS**

**1 EXPAN Office of Minority Affairs - Staffing**

(C35KA10X01) Provide funds to support personnel and operating expenses for a Personal Assistant position.

<b>Road Fund</b>	203,900	203,900	207,700	207,700
<b>Total</b>	<b>203,900</b>	<b>203,900</b>	<b>207,700</b>	<b>207,700</b>

**2 EXPAN Information Technology - Geographical Information Systems (GIS) Expansion**

(C35KB01X03) Provide funds to procure hardware and software to enhance the Cabinet's GIS capabilities.

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch

**Agency:** Transportation

**Cabinet/Function:** Transportation

**Appropriation Unit:** General Administration and Support

		FY 1999-2000			FY 2000-2001			FY 2001-2002		
		Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>V. ADDITIONAL BUDGET ITEMS</b>										
<b>2</b>	<b>EXPAN</b>	<b>Information Technology - Geographical Information Systems (GIS) Expansion</b>								
(C35KB01X03)		Provide funds to procure hardware and software to enhance the Cabinet's GIS capabilities.								
<b>Road Fund</b>					300,000	300,000		300,000	300,000	
<b>Total</b>					<b>300,000</b>	<b>300,000</b>		<b>300,000</b>	<b>300,000</b>	
<b>3</b>	<b>EXPAN</b>	<b>Information Technology - Enhanced Preconstruction Management System</b>								
(C35KB01X01)		Provide funds to support operating costs to enhance the current Preconstruction Management System, including integration with MARS, the Right of Way Monitoring System and the Division of Construction's Management System.								
<b>Road Fund</b>					500,000	500,000		500,000	500,000	
<b>Total</b>					<b>500,000</b>	<b>500,000</b>		<b>500,000</b>	<b>500,000</b>	
<b>4</b>	<b>EXPAN</b>	<b>Human Resources Management - Additional Staff, Operating Costs, Vehicle</b>								
(C35KD03X02)		Provide funds to support personnel and operating costs for an Executive Secretary II position, upgrade an Administrative Specialist II to Assistant Director, two (2) additional training personnel, and a vehicle.								
<b>Road Fund</b>					120,000	120,000		110,000	110,000	
<b>Total</b>					<b>120,000</b>	<b>120,000</b>		<b>110,000</b>	<b>110,000</b>	
<b>5</b>	<b>NEW</b>	<b>Agencywide - MARS</b>								
(C35KB01X04)		Provide funds to support operating costs for utilization of the MARS System.								
<b>Road Fund</b>					563,100	563,100		606,500	606,500	
<b>Total</b>					<b>563,100</b>	<b>563,100</b>		<b>606,500</b>	<b>606,500</b>	
<b>6</b>	<b>EXPAN</b>	<b>Fleet Management - Additional Staff</b>								
(C35KB30X01)		Provide funds for two (2) additional permanent full-time positions to repair and maintain the Cabinet's Statewide Motor Pool fleet from savings resulting from the EMPOWER KY Administrative Services Project.								
<b>Restricted Funds</b>								51,300	51,300	
<b>Total</b>								<b>51,300</b>	<b>51,300</b>	
<b>7</b>	<b>NEW</b>	<b>EMPOWER KY Initiative - Construction Management System (Development)</b>								
(C35KB01X07)		Provide funds to support development, installation, training and migration of data for a Construction Management System.								
<b>Road Fund</b>					785,000	500,000	(285,000)	665,000	665,000	
<b>Total</b>					<b>785,000</b>	<b>500,000</b>	<b>(285,000)</b>	<b>665,000</b>	<b>665,000</b>	

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch

**Agency:** Transportation

**Cabinet/Function:** Transportation

**Appropriation Unit:** General Administration and Support

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>8 EXPAN</b>	<b>Division of Fiscal Management - Additional Staff</b>								
(C35KC01X02)	Provide funds to support two additional fiscal officers.								
<b>Road Fund</b>				120,000	120,000		110,000	110,000	
<b>Total</b>				<b>120,000</b>	<b>120,000</b>		<b>110,000</b>	<b>110,000</b>	
<b>9 EXPAN</b>	<b>Office of Property and Supply - Paving and Landscaping</b>								
(C35KA01X01)	Provide funds to support paving and landscaping including those areas affected by environmental cleanups, on an as needed basis.								
<b>Road Fund</b>				50,000	50,000		50,000	50,000	
<b>Total</b>				<b>50,000</b>	<b>50,000</b>		<b>50,000</b>	<b>50,000</b>	
<b>10 EXPAN</b>	<b>Office of Property &amp; Supply - Asbestos Abatement and Monitoring</b>								
(C35KA01X02)	Provide funds to support the monitoring and abatement of asbestos contained in many of the Cabinet's older structures, on an as needed basis.								
<b>Road Fund</b>				50,000	50,000		50,000	50,000	
<b>Total</b>				<b>50,000</b>	<b>50,000</b>		<b>50,000</b>	<b>50,000</b>	
<b>11 EXPAN</b>	<b>Office of Property &amp; Supply - County Maintenance Facilities - Fax Machines</b>								
(C35KA01X03)	Provide funds to support replacement of fax machines at the County Maintenance Facilities.								
<b>Road Fund</b>				105,000	105,000		50,000	50,000	
<b>Total</b>				<b>105,000</b>	<b>105,000</b>		<b>50,000</b>	<b>50,000</b>	
<b>12 NEW</b>	<b>Wage Equity</b>								
(C35KA01X04)	Provide funds to support personnel costs associated with the proposed Wage Equity Plan.								
<b>Road Fund</b>				502,200	132,200	(370,000)	423,100	182,200	(240,900)
<b>Total</b>				<b>502,200</b>	<b>132,200</b>	<b>(370,000)</b>	<b>423,100</b>	<b>182,200</b>	<b>(240,900)</b>
<b>TOTAL ADDITIONAL</b>				<b>3,299,200</b>	<b>2,644,200</b>	<b>(655,000)</b>	<b>3,073,600</b>	<b>2,832,700</b>	<b>(240,900)</b>

## **FB 2000-2002 BUDGET MODIFICATION REPORT**

### **General Administration and Support**

#### **BRANCH BUDGET**

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

The Branch Budget Bill, Part I, Operating Budget, includes language provision that directs, included in the above Road Fund appropriation is \$6,852,000 in FY 2000-2001 and \$9,691,000 in FY 2001-2002 for debt service for previously authorized bonds to construct a new Transportation Cabinet Office Building and parking structure. The components of debt service for each year are: \$6,852,000 in FY 2000-2001 and \$7,608,000 in FY 2001-2002 for the office building, and \$2,083,000 in FY 2001-2002 for the parking structure.

Additional Road Fund support is provided for the following purposes: \$203,900 in FY 2000-2001 and \$207,700 in FY 2001-2002 to support an additional permanent full-time position within the Office of Minority Affairs; \$300,000 in each fiscal year to procure hardware and software components to enhance the Geographical Information Systems (GIS) within the Office of Information Technology; \$500,000 in each fiscal year to support enhancements to the Preconstruction Management System within the Office of Information Technology; \$120,000 in FY 2000-2001 and \$110,000 in FY 2001-2002 to support an additional permanent full-time position and a vehicle within the Office of Human Resources Management; \$563,100 in FY 2000-2001 and \$606,500 in FY 2001-2002 to support operating costs for utilization of the MARS System; \$785,000 in FY 2000-2001 and \$665,000 in FY 2001-2002 for utilization of EMPOWER KY Initiative savings to support the expansion of the Operations Management System (OMS); \$120,000 in FY 2000-2001 and \$110,000 in FY 2001-2002 to support two (2) additional permanent full-time positions within the Division of Fiscal Management; \$50,000 in each fiscal year to support paving and landscaping projects; \$50,000 in each fiscal year to support the monitoring and abatement of asbestos; and \$105,000 in FY 2000-2001 to support replacement of fax machines at the County Maintenance Facilities.

Additional Restricted Funds support in the amount of \$51,300 in FY 2001-2002 is provided for two (2) additional permanent full-time positions within the Division of Fleet Management.

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional Road Fund support totaling \$502,200 in FY 2000-2001 and \$423,100 in FY 2001-2002 is budgeted to provide a guaranteed COLA salary adjustment for each employee on July 1 each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increase in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

The Branch Budget Bill, Part II, Capital Projects Budget, includes language provisions that direct the following:

Road Fund support is provided for several new maintenance facilities in the following counties: Boone (\$515,000 in FY 2001-2002), Powell (\$900,000 in FY 2000-2001), Mason (\$710,000 in FY 2001-2002), and Campbell (\$500,000 in FY 2000-2001 and Restricted Funds are also provided totaling \$465,000 in FY 2000-2001). Road Fund support totaling \$3,810,000 in FY 2000-2001 is provided for a new District Office building in Elizabethtown.

Road Fund support is provided for the following capital projects and equipment items: \$600,000 in each fiscal year to support loadometer and rest area maintenance and repair; \$500,000 in each fiscal year to support building renovation and emergency repairs; \$250,000 in each fiscal year to support painting and roof replacement; \$250,000 in each fiscal year to support construction and repair of various salt storage structures; \$100,000 in each fiscal year to support updating

## **FB 2000-2002 BUDGET MODIFICATION REPORT**

### **General Administration and Support**

various waste treatment and water supply projects; \$100,000 in FY 2001-2002 to support the purchase of hydraulic hoists and heavy equipment; \$2,000,000 in FY 2000-2001 and \$500,000 to support road maintenance in various parks; \$225,000 in FY 2000-2001 to support the upgrading and replacement of electronic digital surveying systems; \$310,000 in FY 2000-2001 and \$320,000 in FY 2001-2002 for the purchase of Weigh in Motion/Traffic Data Collection Equipment; \$140,000 in FY 2000-2001 for the purchase of a Direct Tension Tester for testing asphalt mixtures; \$264,000 in FY 2001-2002 for purchase of a Soil Resilient Modulus Testing System; \$155,000 in FY 2000-2001 and \$220,000 in FY 2001-2002 to upgrade and replace existing X-Ray Fluorescence and X-Ray Diffraction Analyzers; \$130,000 in FY 2000-2001 for the purchase of a Mail Inserter/Burster Machine; \$1,000,000 in FY 2001-2002 to purchase Motor Vehicle Enforcement Mobile Computers and peripherals; \$325,000 in FY 2001-2002 to support the conversion and web publication of microfilm plans; and \$180,000 in FY 2000-2001 and \$2,160,000 in FY 2001-2002 to provide additional support for Digitized Drivers Licensing, including Reauthorization of existing funding.

Bond Authority is provided for the following purposes: \$20,700,000 in FY 2000-2001 to support construction of a new Transportation Building Parking Structure; and an additional \$7,500,000 in FY 2000-2001 to support construction of a new Transportation Office Building, including Reauthorization of existing funding.

The Branch Budget Bill, Part V, Funds Transfer, directs, notwithstanding the provision of 1998 Kentucky Acts, Chapter 615, Part III, Section 1, Restricted Funds totaling \$1,500,000 in each year shall be transferred from the Fleet Management Fund to the General Fund.

The Branch Budget Bill, Part IX, Special Provisions, includes language provision relating to Transportation Cabinet Office Building Provisions under the Transportation Cabinet that directs the following: The Transportation Cabinet shall relinquish the rights to the existing State Office Building in return for the General Fund-supported previously authorized but unissued \$18,900,000 bonds that are reauthorized in Part II, Section P, 1.k. of this Act. The General Assembly declares that the new Transportation Cabinet Office Building shall be owned by the Transportation Cabinet and that any surplus bond proceeds or debt service appropriations shall be deposited in the State Construction Account. Any revenue generated from the leasing of office space in the new Transportation Cabinet Office Building shall be deposited in the Road Fund.

### **GENERAL ASSEMBLY**

The General Assembly concurs with the Branch Budget with the following changes:

Additional Road Fund support is provided for the following purposes: \$500,000 in FY 2000-2001 and \$665,000 in FY 2001-2002 for utilization of EMPOWER KY Initiative savings to support the expansion of the Construction Management System.

The General Assembly amends Part II, Capital Projects Budget to provide Road Fund support totaling \$2,000,000 in FY 2000-2001 and \$1,500,000 to support road maintenance in various parks, and \$500,000 in FY 2000-2001 for a Highway Maintenance Barn in Cumberland County.

Reauthorization and additional Road Fund support for a Digitized Drivers Licensing System are not provided.

The General Assembly adds Part II, Capital Projects Budget, language provision that directs that included in the above Road Fund appropriation for Road Maintenance/Various Parks is \$375,000 in fiscal year 2000-2001 to provide the cost of construction of an access culvert for US 68 at Blue Licks State Park.

## **FB 2000-2002 BUDGET MODIFICATION REPORT**

### **General Administration and Support**

The General Assembly provides Part III, General Provisions, Section 39, language provision relating to the use of public or private funds contributed to state agencies for purposes of conducting the Adopt-A-Highway Litter Program or other statewide litter programs, as follows: The Transportation and Natural Resources and Environmental Protection Cabinets may receive and accept grants, contributions of money, property, labor, or other things of value from any governmental agency, individual, nonprofit organization, or private business to be used for the Adopt-a-Highway Litter Program or other statewide litter programs. Any contribution of this nature shall be deemed to be a contribution to a state agency for a public purpose and shall be treated as restricted funds under KRS Chapter 45 and reported according to KRS Chapter 48, and shall not be subject to restrictions set forth under KRS Chapter 11A.

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$132,200 in fiscal year 2000-2001 and \$182,200 in fiscal year 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 or each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

The General Assembly provides Part IX, Special Provisions, language provision relating to Transportation Cabinet Office Building Provisions that directs the following: The Transportation Cabinet shall relinquish the rights to the existing State Office Building in return for the General Fund-supported previously authorized but unissued \$18,900,000 bonds that are reauthorized in Part II, Section P, 1.k. of this Act. The General Assembly declares that the new Transportation Cabinet Office Building shall be owned by the Transportation Cabinet and that any surplus bond proceeds or debt service appropriations shall be deposited in the State Construction Account. Any revenue generated from the leasing of office space in the new Transportation Cabinet Office Building shall be deposited in the Road Fund.

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY**

**Governmental Branch:** Executive Branch

**Agency:** Transportation

**Cabinet/Function:** Transportation

**Appropriation Unit:** General Administration and Support

FY 1999-2000			FY 2000-2001			FY 2001-2002		
Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. CAPITAL PROJECT RECAP BY FUND SOURCE</b>								
Restricted Funds			465,000	465,000				
Road Fund			10,050,000	10,370,000	320,000	7,814,000	6,654,000	(1,160,000)
Bond Funds			28,200,000	28,200,000				
<b>TOTAL CAPITAL</b>			<b>38,715,000</b>	<b>39,035,000</b>	<b>320,000</b>	<b>7,814,000</b>	<b>6,654,000</b>	<b>(1,160,000)</b>
<b>II. CAPITAL PROJECTS</b>								
<b>1 (C351168) New Transportation Office Building - Reauthorization</b>								
<b>Bond Funds</b>			7,500,000	7,500,000				
<b>Total</b>			<b>7,500,000</b>	<b>7,500,000</b>				
<b>2 (C351160) Building Renovation &amp; Emergency Repairs</b>								
<b>Road Fund</b>			500,000	500,000		500,000	500,000	
<b>Total</b>			<b>500,000</b>	<b>500,000</b>		<b>500,000</b>	<b>500,000</b>	
<b>3 (C351170) Campbell County Maintenance Facility</b>								
<b>Restricted Funds</b>			465,000	465,000				
<b>Road Fund</b>			500,000	500,000				
<b>Total</b>			<b>965,000</b>	<b>965,000</b>				
<b>4 (C351176) Elizabethtown District Office Building</b>								
<b>Road Fund</b>			3,810,000	3,810,000				
<b>Total</b>			<b>3,810,000</b>	<b>3,810,000</b>				
<b>5 (C351136) Powell County Maintenance Facility</b>								
<b>Road Fund</b>			900,000	900,000				
<b>Total</b>			<b>900,000</b>	<b>900,000</b>				
<b>6 (C351159) Mail Inserter/Burster Machine</b>								
<b>Road Fund</b>			130,000	130,000				
<b>Total</b>			<b>130,000</b>	<b>130,000</b>				
<b>7 (C351148) MVE Mobile Computers and Peripherals</b>								
<b>Road Fund</b>						1,000,000	1,000,000	
<b>Total</b>						<b>1,000,000</b>	<b>1,000,000</b>	
<b>8 (C351161) Painting and Roof Replacement</b>								

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY**

**Governmental Branch:** Executive Branch

**Agency:** Transportation

**Cabinet/Function:** Transportation

**Appropriation Unit:** General Administration and Support

		FY 1999-2000			FY 2000-2001			FY 2001-2002		
		Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>II. CAPITAL PROJECTS</b>										
<b>8</b>	(C351161) <b>Painting and Roof Replacement</b>									
<b>Road Fund</b>					250,000	250,000		250,000	250,000	
<b>Total</b>					<b>250,000</b>	<b>250,000</b>		<b>250,000</b>	<b>250,000</b>	
<b>9</b>	(C351169) <b>Digitized Drivers Licensing - Reauthorization</b>									
<b>Road Fund</b>					180,000		(180,000)	2,160,000		(2,160,000)
<b>Total</b>					<b>180,000</b>		<b>(180,000)</b>	<b>2,160,000</b>		<b>(2,160,000)</b>
<b>10</b>	(C351163) <b>Various Salt Storage Structures and Repair</b>									
<b>Road Fund</b>					250,000	250,000		250,000	250,000	
<b>Total</b>					<b>250,000</b>	<b>250,000</b>		<b>250,000</b>	<b>250,000</b>	
<b>11</b>	(C351146) <b>Loadometer and Rest Area Maintenance and Repair</b>									
<b>Road Fund</b>					600,000	600,000		600,000	600,000	
<b>Total</b>					<b>600,000</b>	<b>600,000</b>		<b>600,000</b>	<b>600,000</b>	
<b>12</b>	(C351139) <b>Mason County Maintenance Facility</b>									
<b>Road Fund</b>								710,000	710,000	
<b>Total</b>								<b>710,000</b>	<b>710,000</b>	
<b>13</b>	(C351165) <b>Various Waste Treatment &amp; Water Supply Projects</b>									
<b>Road Fund</b>					100,000	100,000		100,000	100,000	
<b>Total</b>					<b>100,000</b>	<b>100,000</b>		<b>100,000</b>	<b>100,000</b>	
<b>14</b>	(C351153) <b>Weigh In Motion/Traffic Data Collection Equipment</b>									
<b>Road Fund</b>					310,000	310,000		320,000	320,000	
<b>Total</b>					<b>310,000</b>	<b>310,000</b>		<b>320,000</b>	<b>320,000</b>	
<b>15</b>	(C351134) <b>Boone County Maintenance Building</b>									
<b>Road Fund</b>								515,000	515,000	
<b>Total</b>								<b>515,000</b>	<b>515,000</b>	
<b>16</b>	(C351166) <b>Hydraulic Hoists, Heavy Equipment</b>									
<b>Road Fund</b>								100,000	100,000	
<b>Total</b>								<b>100,000</b>	<b>100,000</b>	
<b>17</b>	(C351155) <b>Direct Tension Tester for Asphalt</b>									
<b>Road Fund</b>					140,000	140,000				
<b>Total</b>					<b>140,000</b>	<b>140,000</b>				
<b>18</b>	(C351156) <b>Soil Resilient Modulus Testing System</b>									



**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY**

**Governmental Branch:** Executive Branch

**Agency:** Transportation

**Cabinet/Function:** Transportation

**Appropriation Unit:** General Administration and Support

		FY 1999-2000			FY 2000-2001			FY 2001-2002		
		Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>II. CAPITAL PROJECTS</b>										
<b>18</b> (C351156)	<b>Soil Resilient Modulus Testing System</b>									
<b>Road Fund</b>								264,000	264,000	
<b>Total</b>								<b>264,000</b>	<b>264,000</b>	
<b>19</b> (C351149)	<b>Conversion &amp; Web Pub. of Microfilm Plans</b>									
<b>Road Fund</b>								325,000	325,000	
<b>Total</b>								<b>325,000</b>	<b>325,000</b>	
<b>20</b> (C351151)	<b>Electronic Digital Surveying Systems</b>									
<b>Road Fund</b>					225,000	225,000				
<b>Total</b>					<b>225,000</b>	<b>225,000</b>				
<b>21</b> (C351157)	<b>X-Ray Fluorescence &amp; X-Ray Diffraction Analyzers</b>									
<b>Road Fund</b>					155,000	155,000		220,000	220,000	
<b>Total</b>					<b>155,000</b>	<b>155,000</b>		<b>220,000</b>	<b>220,000</b>	
<b>22</b> (C351178)	<b>Road Maintenance/Various Parks</b>									
<b>Road Fund</b>					2,000,000	2,000,000		500,000	1,500,000	1,000,000
<b>Total</b>					<b>2,000,000</b>	<b>2,000,000</b>		<b>500,000</b>	<b>1,500,000</b>	<b>1,000,000</b>
<b>23</b> (C351179)	<b>Cumberland County Highway Maintenance Barn</b>									
<b>Road Fund</b>						500,000	500,000			
<b>Total</b>						<b>500,000</b>	<b>500,000</b>			
<b>24</b> (C35HGA01)	<b>Transportation Building Parking Structure - New Construction</b>									
<b>Bond Funds</b>					20,700,000	20,700,000				
<b>Total</b>					<b>20,700,000</b>	<b>20,700,000</b>				
<b>TOTAL</b>					<b>38,715,000</b>	<b>39,035,000</b>	<b>320,000</b>	<b>7,814,000</b>	<b>6,654,000</b>	<b>(1,160,000)</b>

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**FB 2000-2002 COMMONWEALTH BUDGET  
FINAL BUDGET MEMORANDUM**

**WORKFORCE DEVELOPMENT**

**JUNE 7, 2000**

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**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**  
**GENERAL FUND BY BUDGET UNIT**

**Cabinet/Function: Workforce Development**

	FY 1999-2000 Budget	FY 2000-2001			FY 2001-2002		
		Branch	General Assembly	Difference	Branch	General Assembly	Difference
General Administration & Program Support	2,553,500	2,674,900	2,668,700	(6,200)	2,659,900	2,694,700	34,800
State Board for Adult and Technical Education	30,500	31,200	31,200		32,000	32,000	
Technical Education	19,515,700	21,536,900	20,690,100	(846,800)	22,974,900	21,925,200	(1,049,700)
Adult Education and Literacy	12,779,400	11,024,300	11,005,200	(19,100)	11,388,300	11,360,300	(28,000)
Vocational Rehabilitation	9,872,800	10,451,100	10,729,800	278,700	10,860,100	11,160,100	300,000
Department for the Blind	2,131,100	2,078,100	2,069,600	(8,500)	1,748,100	1,739,100	(9,000)
Teachers' Retirement-Employer's Contribution	4,530,500	4,639,200	4,639,200		4,750,600	4,750,600	
Employment Services	599,100	613,500	613,500		628,200	628,200	
<b>Operating Budget Subtotal</b>	<b>52,012,600</b>	<b>53,049,200</b>	<b>52,447,300</b>	<b>(601,900)</b>	<b>55,042,100</b>	<b>54,290,200</b>	<b>(751,900)</b>
<b>Continuing Appropriations</b>							
Adult Education and Literacy	1,861,900						
<b>Operating Budget Total</b>	<b>53,874,500</b>	<b>53,049,200</b>	<b>52,447,300</b>	<b>(601,900)</b>	<b>55,042,100</b>	<b>54,290,200</b>	<b>(751,900)</b>

*Note: FY 1999-2000 Budget includes any supplemental appropriations, as provided by the 2000 General Assembly.*

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**  
**RESTRICTED FUNDS BY BUDGET UNIT**

**Cabinet/Function: Workforce Development**

	<b>FY 1999-2000 Budget</b>	<b>FY 2000-2001</b>			<b>FY 2001-2002</b>		
		<b>Branch</b>	<b>General Assembly</b>	<b>Difference</b>	<b>Branch</b>	<b>General Assembly</b>	<b>Difference</b>
General Administration & Program Support	5,874,000	6,102,300	6,102,300		6,327,700	6,327,700	
Technical Education	17,797,700	17,647,700	17,647,700		18,346,300	18,346,300	
Adult Education and Literacy	258,000	83,300	83,300		74,300	74,300	
Vocational Rehabilitation	2,906,500	2,847,200	2,847,200		3,116,900	3,116,900	
Department for the Blind	2,004,400	1,475,700	1,475,700		1,436,200	1,436,200	
State Board for Proprietary Education	112,500	116,100	116,100		119,400	119,400	
Training and ReEmployment	67,500	67,500	67,500		51,500	51,500	
Employment Services	9,894,900	14,544,700	14,544,700		11,832,000	11,832,000	
<b>Operating Budget Total</b>	<b>38,915,500</b>	<b>42,884,500</b>	<b>42,884,500</b>		<b>41,304,300</b>	<b>41,304,300</b>	

**FB 2000-2002 FINAL BUDGET MEMORANDUM  
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY  
FEDERAL FUNDS BY BUDGET UNIT**

**Cabinet/Function: Workforce Development**

	<b>FY 1999-2000 Budget</b>	<b>FY 2000-2001</b>			<b>FY 2001-2002</b>		
		<b>Branch</b>	<b>General Assembly</b>	<b>Difference</b>	<b>Branch</b>	<b>General Assembly</b>	<b>Difference</b>
General Administration & Program Support	3,012,500	614,000	614,000		288,200	288,200	
Technical Education	10,308,000	10,338,400	10,338,400		10,369,200	10,369,200	
Adult Education and Literacy	9,266,900	11,096,900	11,096,900		10,520,400	10,520,400	
Vocational Rehabilitation	41,319,500	38,341,700	38,341,700		39,242,200	39,242,200	
Department for the Blind	7,207,500	7,231,900	7,231,900		7,502,400	7,502,400	
Training and ReEmployment	51,361,100	62,768,200	62,768,200		58,762,000	58,762,000	
Employment Services	308,451,600	304,227,200	304,227,200		304,472,900	304,472,900	
<b>Operating Budget Total</b>	<b>430,927,100</b>	<b>434,618,300</b>	<b>434,618,300</b>		<b>431,157,300</b>	<b>431,157,300</b>	

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**  
**TOTAL FUNDS BY BUDGET UNIT**

**Cabinet/Function: Workforce Development**

	FY 1999-2000 Budget	FY 2000-2001			FY 2001-2002		
		Branch	General Assembly	Difference	Branch	General Assembly	Difference
General Administration & Program Support	11,440,000	9,391,200	9,385,000	(6,200)	9,275,800	9,310,600	34,800
State Board for Adult and Technical Education	30,500	31,200	31,200		32,000	32,000	
Technical Education	47,621,400	49,523,000	48,676,200	(846,800)	51,690,400	50,640,700	(1,049,700)
Adult Education and Literacy	22,304,300	22,204,500	22,185,400	(19,100)	21,983,000	21,955,000	(28,000)
Vocational Rehabilitation	54,098,800	51,640,000	51,918,700	278,700	53,219,200	53,519,200	300,000
Department for the Blind	11,343,000	10,785,700	10,777,200	(8,500)	10,686,700	10,677,700	(9,000)
State Board for Proprietary Education	112,500	116,100	116,100		119,400	119,400	
Teachers' Retirement-Employer's Contribution	4,530,500	4,639,200	4,639,200		4,750,600	4,750,600	
Training and ReEmployment	51,428,600	62,835,700	62,835,700		58,813,500	58,813,500	
Employment Services	318,945,600	319,385,400	319,385,400		316,933,100	316,933,100	
<b>Operating Budget Subtotal</b>	<b>521,855,200</b>	<b>530,552,000</b>	<b>529,950,100</b>	<b>(601,900)</b>	<b>527,503,700</b>	<b>526,751,800</b>	<b>(751,900)</b>
<b>Continuing Appropriations</b>							
Adult Education and Literacy	1,861,900						
<b>Operating Budget Total</b>	<b>523,717,100</b>	<b>530,552,000</b>	<b>529,950,100</b>	<b>(601,900)</b>	<b>527,503,700</b>	<b>526,751,800</b>	<b>(751,900)</b>



**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch  
**Cabinet/Function:** Workforce Development

**Agency:** Summary  
**Appropriation Unit:**

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	52,012,600	52,012,600		53,049,200	52,447,300	(601,900)	55,042,100	54,290,200	(751,900)
Restricted Funds	38,915,500	38,915,500		42,884,500	42,884,500		41,304,300	41,304,300	
Federal Funds	430,927,100	430,927,100		434,618,300	434,618,300		431,157,300	431,157,300	
<b>Regular Total Funds</b>	<b>521,855,200</b>	<b>521,855,200</b>		<b>530,552,000</b>	<b>529,950,100</b>	<b>(601,900)</b>	<b>527,503,700</b>	<b>526,751,800</b>	<b>(751,900)</b>
General Fund Continuing	1,861,900	1,861,900							
<b>GRAND TOTAL FUNDS</b>	<b>523,717,100</b>	<b>523,717,100</b>		<b>530,552,000</b>	<b>529,950,100</b>	<b>(601,900)</b>	<b>527,503,700</b>	<b>526,751,800</b>	<b>(751,900)</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	106,656,200	106,656,200		112,789,200	111,887,300	(901,900)	113,190,400	112,238,500	(951,900)
Operating Expenses	29,547,400	29,547,400		31,516,600	31,516,600		32,954,300	32,854,300	(100,000)
Grants, Loans, Benefits	385,866,000	385,866,000		385,429,000	385,729,000	300,000	380,795,700	381,095,700	300,000
Capital Outlay	1,647,500	1,647,500		817,200	817,200		563,300	563,300	
<b>TOTAL EXPENDITURES</b>	<b>523,717,100</b>	<b>523,717,100</b>		<b>530,552,000</b>	<b>529,950,100</b>	<b>(601,900)</b>	<b>527,503,700</b>	<b>526,751,800</b>	<b>(751,900)</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	52,012,600	52,012,600		49,361,700	49,361,700		50,332,400	50,332,400	
Restricted Funds	37,965,500	37,965,500		42,291,800	42,582,400	290,600	40,627,400	40,984,800	357,400
Federal Funds	430,927,100	430,927,100		433,610,200	434,344,300	734,100	429,552,400	430,773,700	1,221,300
<b>Regular Total Funds</b>	<b>520,905,200</b>	<b>520,905,200</b>		<b>525,263,700</b>	<b>526,288,400</b>	<b>1,024,700</b>	<b>520,512,200</b>	<b>522,090,900</b>	<b>1,578,700</b>
General Fund Continuing	1,861,900	1,861,900							
<b>TOTAL BASE LEVEL</b>	<b>522,767,100</b>	<b>522,767,100</b>		<b>525,263,700</b>	<b>526,288,400</b>	<b>1,024,700</b>	<b>520,512,200</b>	<b>522,090,900</b>	<b>1,578,700</b>
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				3,687,500	3,085,600	(601,900)	4,709,700	3,957,800	(751,900)
Restricted Funds	950,000	950,000		592,700	302,100	(290,600)	676,900	319,500	(357,400)
Federal Funds				1,008,100	274,000	(734,100)	1,604,900	383,600	(1,221,300)
<b>TOTAL ADDITIONAL</b>	<b>950,000</b>	<b>950,000</b>		<b>5,288,300</b>	<b>3,661,700</b>	<b>(1,626,600)</b>	<b>6,991,500</b>	<b>4,660,900</b>	<b>(2,330,600)</b>

**Agency: Summary**  
**Appropriation Unit:**

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. CAPITAL PROJECT RECAP BY FUND SOURCE</b>									
Investment Income				250,000	250,000		425,000	425,000	
Deferred Maintenance				369,000	369,000				
<b>TOTAL CAPITAL</b>				<b>619,000</b>	<b>619,000</b>		<b>425,000</b>	<b>425,000</b>	

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch  
**Cabinet/Function:** Workforce Development

**Agency:** Workforce Development  
**Appropriation Unit:** General Administration & Program Support

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	2,553,500	2,553,500		2,674,900	2,668,700	(6,200)	2,659,900	2,694,700	34,800
Restricted Funds	5,874,000	5,874,000		6,102,300	6,102,300		6,327,700	6,327,700	
Federal Funds	3,012,500	3,012,500		614,000	614,000		288,200	288,200	
<b>Regular Total Funds</b>	<b>11,440,000</b>	<b>11,440,000</b>		<b>9,391,200</b>	<b>9,385,000</b>	<b>(6,200)</b>	<b>9,275,800</b>	<b>9,310,600</b>	<b>34,800</b>
General Fund Continuing									
<b>GRAND TOTAL FUNDS</b>	<b>11,440,000</b>	<b>11,440,000</b>		<b>9,391,200</b>	<b>9,385,000</b>	<b>(6,200)</b>	<b>9,275,800</b>	<b>9,310,600</b>	<b>34,800</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	6,022,600	6,022,600		6,142,500	6,136,300	(6,200)	6,320,900	6,355,700	34,800
Operating Expenses	2,234,100	2,234,100		2,165,600	2,165,600		2,177,900	2,177,900	
Grants, Loans, Benefits	3,128,300	3,128,300		1,028,100	1,028,100		722,000	722,000	
Capital Outlay	55,000	55,000		55,000	55,000		55,000	55,000	
<b>TOTAL EXPENDITURES</b>	<b>11,440,000</b>	<b>11,440,000</b>		<b>9,391,200</b>	<b>9,385,000</b>	<b>(6,200)</b>	<b>9,275,800</b>	<b>9,310,600</b>	<b>34,800</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	2,553,500	2,553,500		2,535,100	2,535,100		2,527,400	2,527,400	
Restricted Funds	5,474,000	5,474,000		6,059,500	6,072,600	13,100	6,306,700	6,306,700	
Federal Funds	3,012,500	3,012,500		612,100	612,700	600	287,200	287,200	
<b>Regular Total Funds</b>	<b>11,040,000</b>	<b>11,040,000</b>		<b>9,206,700</b>	<b>9,220,400</b>	<b>13,700</b>	<b>9,121,300</b>	<b>9,121,300</b>	
General Fund Continuing									
<b>TOTAL BASE LEVEL</b>	<b>11,040,000</b>	<b>11,040,000</b>		<b>9,206,700</b>	<b>9,220,400</b>	<b>13,700</b>	<b>9,121,300</b>	<b>9,121,300</b>	
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				139,800	133,600	(6,200)	132,500	167,300	34,800
Restricted Funds	400,000	400,000		42,800	29,700	(13,100)	21,000	21,000	
Federal Funds				1,900	1,300	(600)	1,000	1,000	
<b>TOTAL ADDITIONAL</b>	<b>400,000</b>	<b>400,000</b>		<b>184,500</b>	<b>164,600</b>	<b>(19,900)</b>	<b>154,500</b>	<b>189,300</b>	<b>34,800</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 MTCE</b>	<b>Agencywide - Maintenance of Current Service Levels</b>								
(531SA0X03)	Provide funds to support 3 vacant PFT positions in General Administration & Support.								
<b>General Fund</b>				119,700	119,700		122,700	122,700	
<b>Total</b>				<b>119,700</b>	<b>119,700</b>		<b>122,700</b>	<b>122,700</b>	

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch

**Agency:** Workforce Development

**Cabinet/Function:** Workforce Development

**Appropriation Unit:** General Administration & Program Support

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>2 NEW</b>	<b>Wage Equity Plan</b>								
(531SA0X04)	Provide funds to support salary improvement.								
<b>General Fund</b>				20,100	13,900	(6,200)	9,800	44,600	34,800
<b>Restricted Funds</b>				42,800	29,700	(13,100)	21,000	21,000	
<b>Federal Funds</b>				1,900	1,300	(600)	1,000	1,000	
<b>Total</b>				<b>64,800</b>	<b>44,900</b>	<b>(19,900)</b>	<b>31,800</b>	<b>66,600</b>	<b>34,800</b>
<b>3 EXPFFR</b>	<b>Increased Operating Expenses</b>								
(531SA0X05)	Provide funds to support employee reclassifications resulting from the salary equity study conducted by the Department of Personnel and to support employees who where previously supported with Federal Funds.								
<b>Restricted Funds</b>	400,000	400,000							
<b>Total</b>	<b>400,000</b>	<b>400,000</b>							
<b>TOTAL ADDITIONAL</b>	<b>400,000</b>	<b>400,000</b>		<b>184,500</b>	<b>164,600</b>	<b>(19,900)</b>	<b>154,500</b>	<b>189,300</b>	<b>34,800</b>

## **FB 2000-2002 BUDGET MODIFICATION REPORT**

### **General Administration and Support**

#### **BRANCH BUDGET**

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

Additional General Fund support totaling \$119,700 in FY 2000-2001 and \$122,700 in FY 2001-2002 is provided to support personnel and operating costs for existing services.

The Branch Budget Bill, Part I, Operating Budget, appropriates \$700,000 in each fiscal year of the biennium for the operation of the School-to Careers system, and includes language provision that directs, notwithstanding any provisions of KRS 151B.250, KRS 151B.255, KRS 158.760 and KRS 158.7603 to the contrary, the Workforce Development Cabinet will have sole responsibility for this initiative.

Additional Restricted Funds support totaling \$400,000 in FY 1999-2000 is provided for employee reclassifications resulting from the salary equity study conducted by the Department of Personnel (\$250,000) and to support employees who were previously supported with Federal Funds (\$150,000).

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional General Fund support totaling \$20,100 in FY 2000-2001 and \$9,800 in FY 2001-2002, Restricted Funds support totaling \$42,800 in FY 2000-2001 and \$21,000 in FY 2001-2002, and Federal Funds support totaling \$1,900 in FY 2000-2001 and \$1,000 in FY 2001-2002 are budgeted to provide a guaranteed COLA salary adjustment for each employee on July 1 each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increase in the state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

General Fund EMPOWER KY Simplified Administrative Services savings are budgeted in the amount of \$29,700 in FY 2000-2001 and \$97,400 in FY 2001-2002.

The Branch Budget Bill, Part II, Capital Projects Budget, provides funding for the following capital projects: Investment Income totaling \$250,000 in FY 2000-2001 and \$425,000 in FY 2001-2002 is provided for a Maintenance Pool.

The Branch Budget Bill, Part III, General Provisions, includes language provisions that direct, it is the intent of the General Assembly that the Executive Branch implement actions necessary to achieve cost savings as intended, authorized, and directed by 1998 Kentucky Acts, and 1998 House Bill 321 (1998 Ky. Acts ch. 615, Part X), by authorizing the Executive Branch, within the limitations provided for in this Act, to transfer General Fund appropriation amounts related to Technology Trust Fund savings from one budget unit to another budget unit solely within the Cabinets for Families and Children, Finance and Administration, Health Services, Justice, Natural Resources and Environmental Protection, and Workforce Development, and the Department of Education. Any transfer of General Fund appropriation amounts related to Technology Trust Fund savings from one budget unit to another budget unit shall be made only within each specified Cabinet and the Department of Education and shall be limited to the General Fund cost savings amounts identified in the 2000-2002 agency budget request and executive records. The Secretary of any of the specified cabinets and the Commissioner of the Department of Education may submit requests to the State Budget Director of the Governor's Office for Policy and Management for the transfer of General Fund appropriation authority. Such requests shall specify the need for the

**FB 2000-2002  
BUDGET MODIFICATION REPORT**

**General Administration and Support**

transfer of General Fund appropriation authority and the manner in which such a transfer would better achieve the General Fund cost savings. Any transfers made under this provision for any of the cabinets identified above or the Department of Education shall result in no change to the total value of the General Fund cost savings amounts as identified in the agency budget request records recommendation and executive records for the individual cabinets specified above or the Department of Education. Any transfer made under this provision shall be made pursuant to KRS 48.500 and shall be reported, in writing, to the Interim Joint Committee on Appropriations and Revenue.

**GENERAL ASSEMBLY**

The General Assembly concurs with the Branch Budget with the following change:

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$44,900 in FY 2000-2001 and \$66,600 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY**

**Governmental Branch:** Executive Branch

**Agency:** Workforce Development

**Cabinet/Function:** Workforce Development

**Appropriation Unit:** General Administration & Program Support

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. CAPITAL PROJECT RECAP BY FUND SOURCE</b>									
Investment Income				250,000	250,000		425,000	425,000	
<b>TOTAL CAPITAL</b>				<b>250,000</b>	<b>250,000</b>		<b>425,000</b>	<b>425,000</b>	
<b>II. CAPITAL PROJECTS</b>									
1 (5310095) Maintenance Pool									
Investment Income				250,000	250,000		425,000	425,000	
<b>Total</b>				<b>250,000</b>	<b>250,000</b>		<b>425,000</b>	<b>425,000</b>	
<b>TOTAL</b>				<b>250,000</b>	<b>250,000</b>		<b>425,000</b>	<b>425,000</b>	

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**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch  
**Cabinet/Function:** Workforce Development

**Agency:** Workforce Development  
**Appropriation Unit:** State Board for Adult and Technical Education

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	30,500	30,500		31,200	31,200		32,000	32,000	
<b>Regular Total Funds</b>	<b>30,500</b>	<b>30,500</b>		<b>31,200</b>	<b>31,200</b>		<b>32,000</b>	<b>32,000</b>	
General Fund Continuing									
<b>GRAND TOTAL FUNDS</b>	<b>30,500</b>	<b>30,500</b>		<b>31,200</b>	<b>31,200</b>		<b>32,000</b>	<b>32,000</b>	
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	13,500	13,500		14,300	14,300		15,000	15,000	
Operating Expenses	17,000	17,000		16,900	16,900		17,000	17,000	
<b>TOTAL EXPENDITURES</b>	<b>30,500</b>	<b>30,500</b>		<b>31,200</b>	<b>31,200</b>		<b>32,000</b>	<b>32,000</b>	
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	30,500	30,500		31,200	31,200		32,000	32,000	
<b>Regular Total Funds</b>	<b>30,500</b>	<b>30,500</b>		<b>31,200</b>	<b>31,200</b>		<b>32,000</b>	<b>32,000</b>	
General Fund Continuing									
<b>TOTAL BASE LEVEL</b>	<b>30,500</b>	<b>30,500</b>		<b>31,200</b>	<b>31,200</b>		<b>32,000</b>	<b>32,000</b>	

**FB 2000-2002**  
**BUDGET MODIFICATION REPORT**

**State Board for Adult and Technical Education**

**BRANCH BUDGET**

The Branch Budget recommends funding for existing services and programs in FB 2000-2002.

**GENERAL ASSEMBLY**

The General Assembly concurs with the Branch Budget.

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch  
**Cabinet/Function:** Workforce Development

**Agency:** Workforce Development  
**Appropriation Unit:** Technical Education

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	19,515,700	19,515,700		21,536,900	20,690,100	(846,800)	22,974,900	21,925,200	(1,049,700)
Restricted Funds	17,797,700	17,797,700		17,647,700	17,647,700		18,346,300	18,346,300	
Federal Funds	10,308,000	10,308,000		10,338,400	10,338,400		10,369,200	10,369,200	
<b>Regular Total Funds</b>	<b>47,621,400</b>	<b>47,621,400</b>		<b>49,523,000</b>	<b>48,676,200</b>	<b>(846,800)</b>	<b>51,690,400</b>	<b>50,640,700</b>	<b>(1,049,700)</b>
General Fund Continuing									
<b>GRAND TOTAL FUNDS</b>	<b>47,621,400</b>	<b>47,621,400</b>		<b>49,523,000</b>	<b>48,676,200</b>	<b>(846,800)</b>	<b>51,690,400</b>	<b>50,640,700</b>	<b>(1,049,700)</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	27,563,500	27,563,500		31,092,100	30,245,300	(846,800)	32,965,300	32,015,600	(949,700)
Operating Expenses	8,952,200	8,952,200		8,923,300	8,923,300		9,234,600	9,134,600	(100,000)
Grants, Loans, Benefits	10,535,800	10,535,800		9,053,800	9,053,800		9,063,000	9,063,000	
Capital Outlay	569,900	569,900		453,800	453,800		427,500	427,500	
<b>TOTAL EXPENDITURES</b>	<b>47,621,400</b>	<b>47,621,400</b>		<b>49,523,000</b>	<b>48,676,200</b>	<b>(846,800)</b>	<b>51,690,400</b>	<b>50,640,700</b>	<b>(1,049,700)</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	19,515,700	19,515,700		19,143,700	19,143,700		19,488,700	19,488,700	
Restricted Funds	17,797,700	17,797,700		17,356,600	17,625,300	268,700	17,936,900	18,286,800	349,900
Federal Funds	10,308,000	10,308,000		10,322,800	10,337,200	14,400	10,347,300	10,369,200	21,900
<b>Regular Total Funds</b>	<b>47,621,400</b>	<b>47,621,400</b>		<b>46,823,100</b>	<b>47,106,200</b>	<b>283,100</b>	<b>47,772,900</b>	<b>48,144,700</b>	<b>371,800</b>
General Fund Continuing									
<b>TOTAL BASE LEVEL</b>	<b>47,621,400</b>	<b>47,621,400</b>		<b>46,823,100</b>	<b>47,106,200</b>	<b>283,100</b>	<b>47,772,900</b>	<b>48,144,700</b>	<b>371,800</b>
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				2,393,200	1,546,400	(846,800)	3,486,200	2,436,500	(1,049,700)
Restricted Funds				291,100	22,400	(268,700)	409,400	59,500	(349,900)
Federal Funds				15,600	1,200	(14,400)	21,900		(21,900)
<b>TOTAL ADDITIONAL</b>				<b>2,699,900</b>	<b>1,570,000</b>	<b>(1,129,900)</b>	<b>3,917,500</b>	<b>2,496,000</b>	<b>(1,421,500)</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 NEW</b>	<b>Jackson County Area Technology Center - Operational Funding</b>								
(546DA0X01)	Provide operational funds to support the new Jackson County Area Technology Center that is scheduled to open in FY 2001-2002, including eight (8) PFT and necessary equipment.								
<b>General Fund</b>							600,000	500,000	(100,000)
<b>Total</b>							<b>600,000</b>	<b>500,000</b>	<b>(100,000)</b>

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch  
**Cabinet/Function:** Workforce Development

**Agency:** Workforce Development  
**Appropriation Unit:** Technical Education

		FY 1999-2000			FY 2000-2001			FY 2001-2002		
		Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>V. ADDITIONAL BUDGET ITEMS</b>										
<b>2 NEW</b>	<b>Technical Education - Additional Staff for Equity Funding</b>									
(546DA0X03)	Provide funds to support 3 PFT who will monitor Level III technology classes for compliance with funding criteria and course standards in the 26 technical centers operated by independent school districts.									
<b>General Fund</b>					130,000	130,000		136,500	136,500	
<b>Total</b>					<b>130,000</b>	<b>130,000</b>		<b>136,500</b>	<b>136,500</b>	
<b>3 NEW</b>	<b>Technical Education - Technology Systems Programs</b>									
(546DA0X04)	Provide funds to support new Computer Technology Systems Programs in the Area Technology Centers, including 25 PFT teaching positions and 20 PFT support positions.									
<b>General Fund</b>					800,000	800,000		1,200,000	1,200,000	
<b>Total</b>					<b>800,000</b>	<b>800,000</b>		<b>1,200,000</b>	<b>1,200,000</b>	
<b>4 NEW</b>	<b>Technical Education - Salary Equity</b>									
(546DA0X05)	Provide funds to support salary equity for staff in the Department of Technical Education and Area Technology Centers.									
<b>General Fund</b>					1,250,000	600,000	(650,000)	1,250,000	600,000	(650,000)
<b>Total</b>					<b>1,250,000</b>	<b>600,000</b>	<b>(650,000)</b>	<b>1,250,000</b>	<b>600,000</b>	<b>(650,000)</b>
<b>5 NEW</b>	<b>Wage Equity Plan</b>									
(546DA0X02)	Provide funds to support salary improvement.									
<b>General Fund</b>					213,200	16,400	(196,800)	299,700		(299,700)
<b>Restricted Funds</b>					291,100	22,400	(268,700)	409,400	59,500	(349,900)
<b>Federal Funds</b>					15,600	1,200	(14,400)	21,900		(21,900)
<b>Total</b>					<b>519,900</b>	<b>40,000</b>	<b>(479,900)</b>	<b>731,000</b>	<b>59,500</b>	<b>(671,500)</b>
<b>TOTAL ADDITIONAL</b>					<b>2,699,900</b>	<b>1,570,000</b>	<b>(1,129,900)</b>	<b>3,917,500</b>	<b>2,496,000</b>	<b>(1,421,500)</b>

## **FB 2000-2002 BUDGET MODIFICATION REPORT**

### **Technical Education**

#### **BRANCH BUDGET**

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

Additional General Fund support totaling \$600,000 in FY 2001-2002 is provided to support operational funding for the new Jackson County Area Technology Center scheduled to open in FY 2001-2002. Operational funding includes support for eight (8) PFT positions and necessary equipment for the Area Technology Center.

Additional General Fund support totaling \$130,000 in FY 2000-2001 and \$136,500 in FY 2001-2002 is provided to support three (3) additional PFT positions in FY 2000-2001 for the purpose of monitoring technology classes for compliance with funding criteria and course standards in the twenty-six (26) technical centers operated by local school districts.

Additional General Fund support totaling \$800,000 in FY 2000-2001 and \$1,200,000 in FY 2001-2002 is provided to support new Computer Technology Systems programs in Area Technology Centers, including fifteen (15) new Computer Technology Systems programs in FY 2000-2001 and twenty (20) programs in FY 2001-2002. Also, these funds will support twenty-five (25) additional PFT positions in FY 2000-2001 and an additional twenty (20) PFT positions in FY 2001-2002 to support the new Computer Technology Systems programs.

Additional General Fund support totaling \$1,250,000 in FY 2000-2001 and \$1,250,000 in FY 2001-2002 is provided to support salary equity for certain staff positions in the Department of Technical Education and Area Technology Centers.

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional General Fund support totaling \$213,200 in FY 2000-2001 and \$299,700 in FY 2001-2002, Restricted Funds support totaling \$291,100 in FY 2000-2001 and \$409,400 in FY 2001-2002, and Federal Funds support totaling \$15,600 in FY 2000-2001 and \$21,900 in FY 2001-2002 are budgeted to provide a guaranteed COLA salary adjustment for each employee on July 1 each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increase in the state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

General Fund EMPOWER KY Simplified Administrative Services savings are budgeted in the amount of \$85,700 in FY 2000-2001 and \$217,400 in FY 2001-2002.

The Branch Budget Bill, Part IX, Special Provisions, includes language provision relating to Participation in the Education Technology Program by Area Vocational Education Centers as follows:

a. Participation in the Education Technology Program by Area Vocational Education Centers: Area Vocational Education Centers shall be fully eligible to participate in the Kentucky Education Technology System. Notwithstanding KRS 157.650 to 157.665, the School Facilities Construction Commission in consultation with the Kentucky Board of Education and the Kentucky Department of Education shall develop administrative regulations which identify a methodology by which the average daily attendance for Area Vocational Education Centers may be equated to the average daily attendance of other local school districts in order that they may receive their respective distributions of these funds. The School Facilities Construction Commission shall include Area Vocational Education Centers in any offers of assistance to local school districts for technology assistance during the 2000-2002 fiscal biennium.

**FB 2000-2002  
BUDGET MODIFICATION REPORT**

**Technical Education**

**GENERAL ASSEMBLY**

The General Assembly concurs with the Branch Budget with the following changes:

Additional General Fund support totaling \$500,000 in FY 2001-2002 is provided for the Jackson County Area Technology Center.

Additional General Fund support totaling \$600,000 in FY 2000-2001 and \$600,000 in FY 2001-2002 is provided to support salary equity for certain staff positions in the Department of Technical Education and Area Technology Centers.

The General Assembly includes Part I, Operating Budget, language provision that provides \$70,000 each fiscal year for a Secondary School Technology Program in Morgan County and \$70,000 in each fiscal year for a Middle School Technology Program in Montgomery County.

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$40,000 in FY 2000-2001 and \$59,500 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

The General Assembly adds Part IX, Special Provisions, language provision relating to Area Technical Center Equipment as follows:

b. Included in the Area Technical Center Equipment, Community Development Projects, as provided in Part II, Capital Projects are the following: \$127,000 in fiscal year 2000-2001 for the Floyd County Area Technology Center for equipment and \$125,000 in fiscal year 2000-2001 for the West Liberty Computer Repair Center.

This Memorandum record reflects the Governor's line item veto of Part IX, Special Provisions, language provision relating to the Rowan County One-Stop Center (#55c), Workforce Development Cabinet, Department for Technical Education, after the sine die adjournment of the 2000 General Assembly on April 14, 2000.

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch  
**Cabinet/Function:** Workforce Development

**Agency:** Workforce Development  
**Appropriation Unit:** Adult Education and Literacy

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	12,779,400	12,779,400		11,024,300	11,005,200	(19,100)	11,388,300	11,360,300	(28,000)
Restricted Funds	258,000	258,000		83,300	83,300		74,300	74,300	
Federal Funds	9,266,900	9,266,900		11,096,900	11,096,900		10,520,400	10,520,400	
<b>Regular Total Funds</b>	<b>22,304,300</b>	<b>22,304,300</b>		<b>22,204,500</b>	<b>22,185,400</b>	<b>(19,100)</b>	<b>21,983,000</b>	<b>21,955,000</b>	<b>(28,000)</b>
General Fund Continuing	1,861,900	1,861,900							
<b>GRAND TOTAL FUNDS</b>	<b>24,166,200</b>	<b>24,166,200</b>		<b>22,204,500</b>	<b>22,185,400</b>	<b>(19,100)</b>	<b>21,983,000</b>	<b>21,955,000</b>	<b>(28,000)</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	2,051,400	2,051,400		2,167,800	2,148,700	(19,100)	2,289,700	2,261,700	(28,000)
Operating Expenses	692,600	692,600		607,600	607,600		627,600	627,600	
Grants, Loans, Benefits	21,422,200	21,422,200		19,429,100	19,429,100		19,065,700	19,065,700	
<b>TOTAL EXPENDITURES</b>	<b>24,166,200</b>	<b>24,166,200</b>		<b>22,204,500</b>	<b>22,185,400</b>	<b>(19,100)</b>	<b>21,983,000</b>	<b>21,955,000</b>	<b>(28,000)</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	12,779,400	12,779,400		11,001,800	11,001,800		11,355,600	11,355,600	
Restricted Funds	258,000	258,000		83,300	83,300		74,300	74,300	
Federal Funds	9,266,900	9,266,900		11,096,900	11,096,900		10,520,400	10,520,400	
<b>Regular Total Funds</b>	<b>22,304,300</b>	<b>22,304,300</b>		<b>22,182,000</b>	<b>22,182,000</b>		<b>21,950,300</b>	<b>21,950,300</b>	
General Fund Continuing	1,861,900	1,861,900							
<b>TOTAL BASE LEVEL</b>	<b>24,166,200</b>	<b>24,166,200</b>		<b>22,182,000</b>	<b>22,182,000</b>		<b>21,950,300</b>	<b>21,950,300</b>	
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				22,500	3,400	(19,100)	32,700	4,700	(28,000)
<b>TOTAL ADDITIONAL</b>				<b>22,500</b>	<b>3,400</b>	<b>(19,100)</b>	<b>32,700</b>	<b>4,700</b>	<b>(28,000)</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 NEW</b>	<b>Wage Equity Plan</b>								
(547AA0X02)	Provide funds to support salary improvement.								
<b>General Fund</b>				22,500	3,400	(19,100)	32,700	4,700	(28,000)
<b>Total</b>				<b>22,500</b>	<b>3,400</b>	<b>(19,100)</b>	<b>32,700</b>	<b>4,700</b>	<b>(28,000)</b>
<b>TOTAL ADDITIONAL</b>				<b>22,500</b>	<b>3,400</b>	<b>(19,100)</b>	<b>32,700</b>	<b>4,700</b>	<b>(28,000)</b>

## **FB 2000-2002 BUDGET MODIFICATION REPORT**

### **Adult Education and Literacy**

#### **BRANCH BUDGET**

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

The Branch Budget recommends \$2,000,000 annually provided to the Special Adult Education and Literacy Fund within the Department of Adult Education and Literacy be transferred to the Council on Postsecondary Education (CPE) for deposit into the Adult Education and Literacy Initiative Fund. The fund transfer was recommended by the Task Force on Adult Education and encourages a collaborative effort between the Department of Adult Education and Literacy and CPE.

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional General Fund support totaling \$22,500 in FY 2000-2001 and \$32,700 in FY 2001-2002 is budgeted to provide a guaranteed COLA salary adjustment for each employee on July 1 each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increase in the state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

General Fund Empower Kentucky Simplified Administrative Services savings are budgeted in the amount of \$3,000 in FY 2000-2001 and \$6,900 in FY 2001-2002.

#### **GENERAL ASSEMBLY**

The General Assembly concurs with the Branch Budget with the following change:

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$3,400 in FY 2000-2001 and \$4,700 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.



**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch  
**Cabinet/Function:** Workforce Development

**Agency:** Workforce Development  
**Appropriation Unit:** Vocational Rehabilitation

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	9,872,800	9,872,800		10,451,100	10,729,800	278,700	10,860,100	11,160,100	300,000
Restricted Funds	2,906,500	2,906,500		2,847,200	2,847,200		3,116,900	3,116,900	
Federal Funds	41,319,500	41,319,500		38,341,700	38,341,700		39,242,200	39,242,200	
<b>Regular Total Funds</b>	<b>54,098,800</b>	<b>54,098,800</b>		<b>51,640,000</b>	<b>51,918,700</b>	<b>278,700</b>	<b>53,219,200</b>	<b>53,519,200</b>	<b>300,000</b>
General Fund Continuing									
<b>GRAND TOTAL FUNDS</b>	<b>54,098,800</b>	<b>54,098,800</b>		<b>51,640,000</b>	<b>51,918,700</b>	<b>278,700</b>	<b>53,219,200</b>	<b>53,519,200</b>	<b>300,000</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	21,273,800	21,273,800		22,393,400	22,372,100	(21,300)	23,356,800	23,356,800	
Operating Expenses	5,164,500	5,164,500		5,281,500	5,281,500		5,409,900	5,409,900	
Grants, Loans, Benefits	27,512,900	27,512,900		23,879,700	24,179,700	300,000	24,384,700	24,684,700	300,000
Capital Outlay	147,600	147,600		85,400	85,400		67,800	67,800	
<b>TOTAL EXPENDITURES</b>	<b>54,098,800</b>	<b>54,098,800</b>		<b>51,640,000</b>	<b>51,918,700</b>	<b>278,700</b>	<b>53,219,200</b>	<b>53,519,200</b>	<b>300,000</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	9,872,800	9,872,800		10,061,000	10,061,000		10,290,200	10,290,200	
Restricted Funds	2,406,500	2,406,500		2,645,900	2,647,200	1,300	2,911,900	2,911,900	
Federal Funds	41,319,500	41,319,500		38,231,100	38,315,100	84,000	39,242,200	39,200,000	(42,200)
<b>Regular Total Funds</b>	<b>53,598,800</b>	<b>53,598,800</b>		<b>50,938,000</b>	<b>51,023,300</b>	<b>85,300</b>	<b>52,444,300</b>	<b>52,402,100</b>	<b>(42,200)</b>
General Fund Continuing									
<b>TOTAL BASE LEVEL</b>	<b>53,598,800</b>	<b>53,598,800</b>		<b>50,938,000</b>	<b>51,023,300</b>	<b>85,300</b>	<b>52,444,300</b>	<b>52,402,100</b>	<b>(42,200)</b>
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				390,100	668,800	278,700	569,900	869,900	300,000
Restricted Funds	500,000	500,000		201,300	200,000	(1,300)	205,000	205,000	
Federal Funds				110,600	26,600	(84,000)		42,200	42,200
<b>TOTAL ADDITIONAL</b>	<b>500,000</b>	<b>500,000</b>		<b>702,000</b>	<b>895,400</b>	<b>193,400</b>	<b>774,900</b>	<b>1,117,100</b>	<b>342,200</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 MTCE</b>	<b>Carl D. Perkins Center &amp; Program Services - Maintenance of Current Services</b>								
(551ED0X01)	Provide funds to support operating expenses and to maintain client service levels for the Carl D. Perkins Comprehensive Rehabilitation Center and Program Services.								
<b>General Fund</b>				368,800	368,800		569,900	569,900	
<b>Restricted Funds</b>	500,000	500,000		200,000	200,000		205,000	205,000	
<b>Total</b>	<b>500,000</b>	<b>500,000</b>		<b>568,800</b>	<b>568,800</b>		<b>774,900</b>	<b>774,900</b>	

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch

**Agency:** Workforce Development

**Cabinet/Function:** Workforce Development

**Appropriation Unit:** Vocational Rehabilitation

		FY 1999-2000			FY 2000-2001			FY 2001-2002		
		Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
V. ADDITIONAL BUDGET ITEMS										
2	EXPAN	Program Services - Deaf Services for Students in Postsecondary Institutions								
(551EE0X03)	Provide funds to support deaf and interpreter services for students of postsecondary institutions who are deaf and hard of hearing.									
General Fund						300,000	300,000		300,000	300,000
Total						300,000	300,000		300,000	300,000
3	NEW	Wage Equity Plan								
(551ED0X02)	Provide funds to support salary improvement.									
General Fund					21,300		(21,300)			
Restricted Funds					1,300		(1,300)			
Federal Funds					110,600	26,600	(84,000)		42,200	42,200
Total					133,200	26,600	(106,600)		42,200	42,200
TOTAL ADDITIONAL		500,000	500,000		702,000	895,400	193,400	774,900	1,117,100	342,200

## **FB 2000-2002 BUDGET MODIFICATION REPORT**

### **Vocational Rehabilitation**

#### **BRANCH BUDGET**

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

Additional Restricted Funds support totaling \$500,000 in FY 1999-2000 is provided to support the increased costs of current program and client services at the Carl D. Perkins Comprehensive Rehabilitation Center and Program Services.

Additional General Fund support totaling \$368,800 in FY 2000-2001, \$569,900 in FY 2001-2002, and additional Restricted Funds support totaling \$200,000 in FY 2000-2001 and \$205,000 in FY 2001-2002 are provided to support the increased costs of current programs and client services at the Carl D. Perkins Comprehensive Rehabilitation Center and Program Services.

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional General Fund support totaling \$21,300 in FY 2000-2001, Restricted Funds support totaling \$1,300 in FY 2000-2001, and Federal Funds support totaling \$110,600 in FY 2000-2001 are budgeted to provide a guaranteed COLA salary adjustment for each employee on July 1 each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increase in the state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

General Fund EMPOWER KY Simplified Administrative savings are budgeted in the amount of \$5,800 in FY 2000-2001 and \$17,100 in FY 2001-2002.

The Branch Budget Bill, Part II, Capital Projects Budget, authorizes the lease of real property in Franklin County with a cost that exceeds \$200,000 per year.

The Branch Budget Bill, Part II, Capital Projects Budget, provides Deferred Maintenance Funds totaling \$369,000 in FY 2000-2001 to support the replacement of HVAC system at the Carl D. Perkins Comprehensive Rehabilitation Center.

#### **GENERAL ASSEMBLY**

The General Assembly concurs with the Branch Budget with the following changes:

Additional General Fund support totaling \$300,000 in each fiscal year is provided for deaf and interpreter services for students of postsecondary institutions who are deaf and hard of hearing.

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$26,600 in FY 2000-2001 and \$42,200 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY**

**Governmental Branch:** Executive Branch

**Agency:** Workforce Development

**Cabinet/Function:** Workforce Development

**Appropriation Unit:** Vocational Rehabilitation

FY 1999-2000			FY 2000-2001			FY 2001-2002		
Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference

**I. CAPITAL PROJECT RECAP BY FUND SOURCE**

Deferred Maintenance	369,000	369,000
<b>TOTAL CAPITAL</b>	<b>369,000</b>	<b>369,000</b>

**II. CAPITAL PROJECTS**

**1** (5510102) Franklin County - Lease

**Total**

**2** (5510092) Carl D. Perkins Center - Rooftop Unit Replacement

Deferred Maintenance	369,000	369,000
<b>Total</b>	<b>369,000</b>	<b>369,000</b>

<b>TOTAL</b>	<b>369,000</b>	<b>369,000</b>
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**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch  
**Cabinet/Function:** Workforce Development

**Agency:** Workforce Development  
**Appropriation Unit:** Department for the Blind

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	2,131,100	2,131,100		2,078,100	2,069,600	(8,500)	1,748,100	1,739,100	(9,000)
Restricted Funds	2,004,400	2,004,400		1,475,700	1,475,700		1,436,200	1,436,200	
Federal Funds	7,207,500	7,207,500		7,231,900	7,231,900		7,502,400	7,502,400	
<b>Regular Total Funds</b>	<b>11,343,000</b>	<b>11,343,000</b>		<b>10,785,700</b>	<b>10,777,200</b>	<b>(8,500)</b>	<b>10,686,700</b>	<b>10,677,700</b>	<b>(9,000)</b>
General Fund Continuing									
<b>GRAND TOTAL FUNDS</b>	<b>11,343,000</b>	<b>11,343,000</b>		<b>10,785,700</b>	<b>10,777,200</b>	<b>(8,500)</b>	<b>10,686,700</b>	<b>10,677,700</b>	<b>(9,000)</b>
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	6,065,300	6,065,300		5,965,700	5,957,200	(8,500)	6,159,400	6,150,400	(9,000)
Operating Expenses	1,287,900	1,287,900		1,304,400	1,304,400		1,306,500	1,306,500	
Grants, Loans, Benefits	3,989,800	3,989,800		3,502,600	3,502,600		3,207,800	3,207,800	
Capital Outlay				13,000	13,000		13,000	13,000	
<b>TOTAL EXPENDITURES</b>	<b>11,343,000</b>	<b>11,343,000</b>		<b>10,785,700</b>	<b>10,777,200</b>	<b>(8,500)</b>	<b>10,686,700</b>	<b>10,677,700</b>	<b>(9,000)</b>
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	2,131,100	2,131,100		1,336,200	1,336,200		1,259,700	1,259,700	
Restricted Funds	2,004,400	2,004,400		1,468,600	1,475,700	7,100	1,428,700	1,436,200	7,500
Federal Funds	7,207,500	7,207,500		7,176,300	7,197,700	21,400	7,443,700	7,452,200	8,500
<b>Regular Total Funds</b>	<b>11,343,000</b>	<b>11,343,000</b>		<b>9,981,100</b>	<b>10,009,600</b>	<b>28,500</b>	<b>10,132,100</b>	<b>10,148,100</b>	<b>16,000</b>
General Fund Continuing									
<b>TOTAL BASE LEVEL</b>	<b>11,343,000</b>	<b>11,343,000</b>		<b>9,981,100</b>	<b>10,009,600</b>	<b>28,500</b>	<b>10,132,100</b>	<b>10,148,100</b>	<b>16,000</b>
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
General Fund				741,900	733,400	(8,500)	488,400	479,400	(9,000)
Restricted Funds				7,100		(7,100)	7,500		(7,500)
Federal Funds				55,600	34,200	(21,400)	58,700	50,200	(8,500)
<b>TOTAL ADDITIONAL</b>				<b>804,600</b>	<b>767,600</b>	<b>(37,000)</b>	<b>554,600</b>	<b>529,600</b>	<b>(25,000)</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 MTCE</b>	<b>General Blind Services &amp; Independent Living - Maintenance of Current Services</b>								
(534EC0X01)	Provide funds to match federal monies, dollar-for-dollar, from the federal Rehabilitation Act of 1973 for General Blind Services, and provide funding to support personnel.								
<b>General Fund</b>				133,400	133,400		179,400	179,400	
<b>Total</b>				<b>133,400</b>	<b>133,400</b>		<b>179,400</b>	<b>179,400</b>	

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch

**Agency:** Workforce Development

**Cabinet/Function:** Workforce Development

**Appropriation Unit:** Department for the Blind

		FY 1999-2000			FY 2000-2001			FY 2001-2002		
		Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
V. ADDITIONAL BUDGET ITEMS										
2	EXPAN	KY Industries for the Blind - Transitional Costs								
(534E00X01)	Provide funds to finalize the transition of the Kentucky Industries for the Blind from a division of state government to a private, not-for-profit entity effective July 1, 2000.									
General Fund					600,000	600,000		300,000	300,000	
Total					600,000	600,000		300,000	300,000	
3	NEW	Wage Equity Plan								
(534EC0X02)	Provide funds to support salary improvement.									
General Fund					8,500		(8,500)	9,000		(9,000)
Restricted Funds					7,100		(7,100)	7,500		(7,500)
Federal Funds					55,600	34,200	(21,400)	58,700	50,200	(8,500)
Total					71,200	34,200	(37,000)	75,200	50,200	(25,000)
TOTAL ADDITIONAL					804,600	767,600	(37,000)	554,600	529,600	(25,000)

## **FB 2000-2002 BUDGET MODIFICATION REPORT**

### **Department for the Blind**

#### **BRANCH BUDGET**

The Branch recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

Additional General Fund support totaling \$133,400 in FY 2000-2001 and \$179,400 in FY 2001-2002 is provided to maintain Federal Funds match requirements for grant expenditures.

Additional General Fund support totaling \$600,000 in FY 2000-2001 and \$300,000 in FY 2001-2002 is provided to support the transition of the Kentucky Industries for the Blind from a Kentucky state government agency to a non-profit agency as of June 30, 2000. Effective July 1, 2000, staff persons employed by the Kentucky Industries for the Blind will become employees of the non-profit operation.

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional General Fund support totaling \$8,500 in FY 2000-2001 and \$9,000 in FY 2001-2002, Restricted Funds support totaling \$7,100 in FY 2000-2001 and \$7,500 in FY 2001-2002, and Federal Funds support totaling \$55,600 in FY 2000-2001 and \$58,700 in FY 2001-2002 are budgeted to provide a guaranteed COLA salary adjustment for each employee on July 1 each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increase in the state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

General Fund EMPOWER KY Simplified Administrative Services savings are budgeted in the amount of \$800 in FY 2000-2001 and \$5,100 in FY 2001-2002.

The Branch Budget Bill, Part II, Capital Projects Budget, authorizes the lease of real property in Franklin County with a cost that exceeds \$200,000 per year.

#### **GENERAL ASSEMBLY**

The General Assembly concurs with the Branch Budget with the following change:

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$34,200 in FY 2000-2001 and \$50,200 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

FB 2000-2002 FINAL BUDGET MEMORANDUM  
2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY

Governmental Branch:

Cabinet/Function:

Executive Branch  
Workforce Development

Agency:

Appropriation Unit:

Workforce Development  
Department for the Blind

FY 1999-2000			FY 2000-2001			FY 2001-2002		
Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference

I. CAPITAL PROJECT RECAP BY FUND SOURCE

TOTAL CAPITAL

II. CAPITAL PROJECTS

1 (5510102) Franklin County - Lease

Total

TOTAL



**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch  
**Cabinet/Function:** Workforce Development

**Agency:** Workforce Development  
**Appropriation Unit:** State Board for Proprietary Education

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
Restricted Funds	112,500	112,500		116,100	116,100		119,400	119,400	
<b>Regular Total Funds</b>	<b>112,500</b>	<b>112,500</b>		<b>116,100</b>	<b>116,100</b>		<b>119,400</b>	<b>119,400</b>	
General Fund Continuing									
<b>GRAND TOTAL FUNDS</b>	<b>112,500</b>	<b>112,500</b>		<b>116,100</b>	<b>116,100</b>		<b>119,400</b>	<b>119,400</b>	
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	96,800	96,800		100,400	100,400		103,700	103,700	
Operating Expenses	15,700	15,700		15,700	15,700		15,700	15,700	
<b>TOTAL EXPENDITURES</b>	<b>112,500</b>	<b>112,500</b>		<b>116,100</b>	<b>116,100</b>		<b>119,400</b>	<b>119,400</b>	
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
Restricted Funds	112,500	112,500		115,700	116,100	400	119,400	119,400	
<b>Regular Total Funds</b>	<b>112,500</b>	<b>112,500</b>		<b>115,700</b>	<b>116,100</b>	<b>400</b>	<b>119,400</b>	<b>119,400</b>	
General Fund Continuing									
<b>TOTAL BASE LEVEL</b>	<b>112,500</b>	<b>112,500</b>		<b>115,700</b>	<b>116,100</b>	<b>400</b>	<b>119,400</b>	<b>119,400</b>	
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
Restricted Funds				400		(400)			
<b>TOTAL ADDITIONAL</b>				<b>400</b>		<b>(400)</b>			
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 NEW</b>	<b>Wage Equity Plan</b>								
(532D00X01)	Provide funds to support salary improvement.								
<b>Restricted Funds</b>				400		(400)			
<b>Total</b>				<b>400</b>		<b>(400)</b>			
<b>TOTAL ADDITIONAL</b>				<b>400</b>		<b>(400)</b>			

**FB 2000-2002  
BUDGET MODIFICATION REPORT**

**State Board for Proprietary Education**

**BRANCH BUDGET**

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exception:

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional Restricted Funds support totaling \$400 in FY 2000-2001 is budgeted to provide a guaranteed COLA salary adjustment for each employee on July 1 each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increase in the state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

**GENERAL ASSEMBLY**

The General Assembly concurs with the Branch Budget with the following change:

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch

Agency: Workforce Development

Cabinet/Function: Workforce Development

Appropriation Unit: Teachers' Retirement-Employer's Contribution

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	4,530,500	4,530,500		4,639,200	4,639,200		4,750,600	4,750,600	
<b>Regular Total Funds</b>	<b>4,530,500</b>	<b>4,530,500</b>		<b>4,639,200</b>	<b>4,639,200</b>		<b>4,750,600</b>	<b>4,750,600</b>	
General Fund Continuing									
<b>GRAND TOTAL FUNDS</b>	<b>4,530,500</b>	<b>4,530,500</b>		<b>4,639,200</b>	<b>4,639,200</b>		<b>4,750,600</b>	<b>4,750,600</b>	
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	4,530,500	4,530,500		4,639,200	4,639,200		4,750,600	4,750,600	
<b>TOTAL EXPENDITURES</b>	<b>4,530,500</b>	<b>4,530,500</b>		<b>4,639,200</b>	<b>4,639,200</b>		<b>4,750,600</b>	<b>4,750,600</b>	
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	4,530,500	4,530,500		4,639,200	4,639,200		4,750,600	4,750,600	
<b>Regular Total Funds</b>	<b>4,530,500</b>	<b>4,530,500</b>		<b>4,639,200</b>	<b>4,639,200</b>		<b>4,750,600</b>	<b>4,750,600</b>	
General Fund Continuing									
<b>TOTAL BASE LEVEL</b>	<b>4,530,500</b>	<b>4,530,500</b>		<b>4,639,200</b>	<b>4,639,200</b>		<b>4,750,600</b>	<b>4,750,600</b>	

**FB 2000-2002  
BUDGET MODIFICATION REPORT**

**Teachers' Retirement-Employer's Contribution**

**BRANCH BUDGET**

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exception:

The Branch Budget Bill, Part I, Operating Budget, includes language provision that directs, the employer match for salaries paid to Workforce Development Cabinet employees who participate in the Teachers' Retirement System shall be forwarded to the Teachers' Retirement System pursuant to KRS 161.560.

**GENERAL ASSEMBLY**

The General Assembly concurs with the Branch Budget.

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch  
**Cabinet/Function:** Workforce Development

**Agency:** Workforce Development  
**Appropriation Unit:** Training and ReEmployment

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
Restricted Funds	67,500	67,500		67,500	67,500		51,500	51,500	
Federal Funds	51,361,100	51,361,100		62,768,200	62,768,200		58,762,000	58,762,000	
<b>Regular Total Funds</b>	<b>51,428,600</b>	<b>51,428,600</b>		<b>62,835,700</b>	<b>62,835,700</b>		<b>58,813,500</b>	<b>58,813,500</b>	
General Fund Continuing									
<b>GRAND TOTAL FUNDS</b>	<b>51,428,600</b>	<b>51,428,600</b>		<b>62,835,700</b>	<b>62,835,700</b>		<b>58,813,500</b>	<b>58,813,500</b>	
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	1,682,800	1,682,800		1,784,100	1,784,100		1,833,600	1,833,600	
Operating Expenses	479,300	479,300		497,800	497,800		525,100	525,100	
Grants, Loans, Benefits	49,266,500	49,266,500		60,553,800	60,553,800		56,454,800	56,454,800	
<b>TOTAL EXPENDITURES</b>	<b>51,428,600</b>	<b>51,428,600</b>		<b>62,835,700</b>	<b>62,835,700</b>		<b>58,813,500</b>	<b>58,813,500</b>	
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
Restricted Funds	17,500	17,500		17,500	17,500		17,500	17,500	
Federal Funds	51,361,100	51,361,100		62,731,300	62,766,300	35,000	58,710,700	58,759,300	48,600
<b>Regular Total Funds</b>	<b>51,378,600</b>	<b>51,378,600</b>		<b>62,748,800</b>	<b>62,783,800</b>	<b>35,000</b>	<b>58,728,200</b>	<b>58,776,800</b>	<b>48,600</b>
General Fund Continuing									
<b>TOTAL BASE LEVEL</b>	<b>51,378,600</b>	<b>51,378,600</b>		<b>62,748,800</b>	<b>62,783,800</b>	<b>35,000</b>	<b>58,728,200</b>	<b>58,776,800</b>	<b>48,600</b>
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
Restricted Funds	50,000	50,000		50,000	50,000		34,000	34,000	
Federal Funds				36,900	1,900	(35,000)	51,300	2,700	(48,600)
<b>TOTAL ADDITIONAL</b>	<b>50,000</b>	<b>50,000</b>		<b>86,900</b>	<b>51,900</b>	<b>(35,000)</b>	<b>85,300</b>	<b>36,700</b>	<b>(48,600)</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 MTCFFR</b>	<b>Welfare-to-Work - Administrative Operations</b>								
(536FB0X01)	Provide for the receipt of funds to be transferred from the Cabinet for Families and Children to OTR under contractual agreement for performance of administrative functions relating to the Welfare-to-Work Block Grant.								
<b>Restricted Funds</b>	50,000	50,000		50,000	50,000		34,000	34,000	
<b>Total</b>	<b>50,000</b>	<b>50,000</b>		<b>50,000</b>	<b>50,000</b>		<b>34,000</b>	<b>34,000</b>	
<b>2 NEW</b>	<b>Wage Equity Plan</b>								
(536FB0X02)	Provide funds to support salary improvement.								

**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch

**Agency:** Workforce Development

**Cabinet/Function:** Workforce Development

**Appropriation Unit:** Training and ReEmployment

		FY 1999-2000			FY 2000-2001			FY 2001-2002		
		Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>V. ADDITIONAL BUDGET ITEMS</b>										
<b>2 NEW</b>	<b>Wage Equity Plan</b>									
(536FB0X02)	Provide funds to support salary improvement.									
<b>Federal Funds</b>					36,900	1,900	(35,000)	51,300	2,700	(48,600)
<b>Total</b>					<b>36,900</b>	<b>1,900</b>	<b>(35,000)</b>	<b>51,300</b>	<b>2,700</b>	<b>(48,600)</b>
<b>TOTAL ADDITIONAL</b>		<b>50,000</b>	<b>50,000</b>		<b>86,900</b>	<b>51,900</b>	<b>(35,000)</b>	<b>85,300</b>	<b>36,700</b>	<b>(48,600)</b>

**FB 2000-2002  
BUDGET MODIFICATION REPORT**

**Training and Reemployment**

**BRANCH BUDGET**

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

Additional Restricted Funds support totaling \$50,000 in FY 1999-2000, \$50,000 in FY 2000-2001, and \$34,000 in FY 2001-2002 are provided to support the performance of certain administrative functions of the Welfare-to-Work Block Grant programs.

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional Federal Funds support totaling \$36,900 in FY 2000-2001 and \$51,300 in FY 2001-2002 is budgeted to provide a guaranteed COLA salary adjustment for each employee on July 1 each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increase in the state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

The Branch Budget Bill, Part II, Capital Projects Budget, authorizes the lease of real property in Franklin County with a cost that exceeds \$200,000 per year.

**GENERAL ASSEMBLY**

The General Assembly concurs with the Branch Budget with the following change:

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$1,900 in FY 2000-2001 and \$2,700 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

FB 2000-2002 FINAL BUDGET MEMORANDUM  
2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY

Governmental Branch:

Cabinet/Function:

Executive Branch  
Workforce Development

Agency:

Appropriation Unit:

Workforce Development  
Training and ReEmployment

FY 1999-2000			FY 2000-2001			FY 2001-2002		
Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference

I. CAPITAL PROJECT RECAP BY FUND SOURCE

TOTAL CAPITAL

II. CAPITAL PROJECTS

1 (5510102) Franklin County - Lease

Total

TOTAL



**FB 2000-2002 FINAL BUDGET MEMORANDUM**  
**2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

**Governmental Branch:** Executive Branch  
**Cabinet/Function:** Workforce Development

**Agency:** Workforce Development  
**Appropriation Unit:** Employment Services

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
<b>I. APPROPRIATIONS SUMMARY BY FUND SOURCE</b>									
General Fund	599,100	599,100		613,500	613,500		628,200	628,200	
Restricted Funds	9,894,900	9,894,900		14,544,700	14,544,700		11,832,000	11,832,000	
Federal Funds	308,451,600	308,451,600		304,227,200	304,227,200		304,472,900	304,472,900	
<b>Regular Total Funds</b>	<b>318,945,600</b>	<b>318,945,600</b>		<b>319,385,400</b>	<b>319,385,400</b>		<b>316,933,100</b>	<b>316,933,100</b>	
General Fund Continuing									
<b>GRAND TOTAL FUNDS</b>	<b>318,945,600</b>	<b>318,945,600</b>		<b>319,385,400</b>	<b>319,385,400</b>		<b>316,933,100</b>	<b>316,933,100</b>	
<b>II. EXPENDITURE CATEGORY</b>									
Personnel Costs	37,356,000	37,356,000		38,489,700	38,489,700		35,395,400	35,395,400	
Operating Expenses	10,704,100	10,704,100		12,703,800	12,703,800		13,640,000	13,640,000	
Grants, Loans, Benefits	270,010,500	270,010,500		267,981,900	267,981,900		267,897,700	267,897,700	
Capital Outlay	875,000	875,000		210,000	210,000				
<b>TOTAL EXPENDITURES</b>	<b>318,945,600</b>	<b>318,945,600</b>		<b>319,385,400</b>	<b>319,385,400</b>		<b>316,933,100</b>	<b>316,933,100</b>	
<b>III. BASE LEVEL BUDGET BY FUND SOURCE</b>									
General Fund	599,100	599,100		613,500	613,500		628,200	628,200	
Restricted Funds	9,894,900	9,894,900		14,544,700	14,544,700		11,832,000	11,832,000	
Federal Funds	308,451,600	308,451,600		303,439,700	304,018,400	578,700	303,000,900	304,185,400	1,184,500
<b>Regular Total Funds</b>	<b>318,945,600</b>	<b>318,945,600</b>		<b>318,597,900</b>	<b>319,176,600</b>	<b>578,700</b>	<b>315,461,100</b>	<b>316,645,600</b>	<b>1,184,500</b>
General Fund Continuing									
<b>TOTAL BASE LEVEL</b>	<b>318,945,600</b>	<b>318,945,600</b>		<b>318,597,900</b>	<b>319,176,600</b>	<b>578,700</b>	<b>315,461,100</b>	<b>316,645,600</b>	<b>1,184,500</b>
<b>IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE</b>									
Federal Funds				787,500	208,800	(578,700)	1,472,000	287,500	(1,184,500)
<b>TOTAL ADDITIONAL</b>				<b>787,500</b>	<b>208,800</b>	<b>(578,700)</b>	<b>1,472,000</b>	<b>287,500</b>	<b>(1,184,500)</b>
<b>V. ADDITIONAL BUDGET ITEMS</b>									
<b>1 NEW</b>	<b>Wage Equity Plan</b>								
(538BAAX01)	Provide funds to support salary improvement.								
<b>Federal Funds</b>				787,500	208,800	(578,700)	1,472,000	287,500	(1,184,500)
<b>Total</b>				<b>787,500</b>	<b>208,800</b>	<b>(578,700)</b>	<b>1,472,000</b>	<b>287,500</b>	<b>(1,184,500)</b>
<b>TOTAL ADDITIONAL</b>				<b>787,500</b>	<b>208,800</b>	<b>(578,700)</b>	<b>1,472,000</b>	<b>287,500</b>	<b>(1,184,500)</b>

## **FB 2000-2002 BUDGET MODIFICATION REPORT**

### **Employment Services**

#### **BRANCH BUDGET**

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional Federal Funds support totaling \$787,500 in FY 2000-2001 and \$1,472,000 in FY 2001-2002 is budgeted to provide a guaranteed COLA salary adjustment for each employee on July 1 each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increase in the state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

The Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct the following:

- (1) Funds from the Unemployment Insurance Penalty and Interest Account shall be used during each fiscal year by the Department for Employment Services to operate employment and training programs, notwithstanding KRS 341.835;
- (2) Restricted Funds totaling \$4,067,600 in FY 2000-2001 and \$4,053,500 in FY 2001-2002 shall be transferred from the Cabinet for Families and Children for the purpose of providing job placement and training services to recipients of the Temporary Assistance for Needy Families (TANF) Program through a contractual agreement; and
- (3) There is appropriated out of the Federal Funds made available under Section 903 of the Social Security Act, as amended, the sum of \$1,000,000 during FB 2000-2002 to be used under the direction of the Department for Employment Services for the purpose of administration of its unemployment compensation law and public employment offices.

#### **GENERAL ASSEMBLY**

The General Assembly concurs with the Branch Budget with the following changes:

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$208,800 in FY 2000-2001 and \$287,500 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

Part I, Operating Budget, language provision relating to the transfer of TANF funds from the Cabinet for Families and Children is not provided.

The General Assembly adds Part IX, Special Provisions, Facility Replacement/Renovation Policy as follows:

- a. Facility Replacement/Renovation Policy: The Department for Employment Services is authorized to develop and implement a facility replacement and renovation program the purposes of which are to improve the quality of Workforce Development Cabinet facilities used by the Department for Employment Services and its clients, and to reduce departmental reliance on lease/rental properties.

**FB 2000-2002**  
**BUDGET MODIFICATION REPORT**

**Employment Services**

The Department is directed to coordinate this program with the Secretary of the Finance and Administration Cabinet and the Department for Facilities Management in the Finance and Administration Cabinet. The Department is authorized to expend any proceeds acquired from the sale, transfer, or other disposition of the existing Department for Employment Services facilities toward the purchase, construction, renovation, and equipping and furnishing of replacement facilities. Expenditures authorized by this provision are limited to the use of funds solely derived from the sale of Cabinet-owned facilities, which equity rights are shared between both the state and the federal government. Any project estimated to cost over \$400,000 shall be reported to the Capital Projects and Bond Oversight Committee by the Secretary of the Finance and Administration Cabinet.

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